





Philippines



Power generation Equipment makers look to Asia

FINANCIAL TIMES

W chief defends Steinkühler offers to resign over share dealing row allegations by GM

Europe's Business Newspaper

Only doing its tob

Volkswagen'a top executives fought back publicly against a renewed legal attack from arch-rival General Motors of the US against José Ignacio Lopez de Arriortua, alleged to have taken confiden-tial documents when he defected from GM to

the German motor group. VW chairman Ferdinand Piëch said it was incredible that anyone should try to discredit Mr Lopez's "irreproachable professionalism" and the image

Major rejects attacks on his leadership style

UK prime minister John Major defended the review of welfare spending as essential to allow the government to "save where we can, to spend where we must" and rejected attacks on his leadership style in a wide-ranging interview with the Financial

A fuller account of the interview will appear in tomorrow's FT. in it, the prime minister sets out his agenda for change in the European Community. Page 9

UK rall link plan: Britain is considering a plan to fund a £2.5bn (\$3.8bn) rail link between London and the Channel tunnel by inviting the public to buy shares in the project through a stock market flotation. .

French jobs package: French prime minister Edouard Balladur is to announce measures today to help cut unemployment. Page 2

BT's \$7.7bn sale: BT, UK telecom group, announced details of the 25bn (\$7.7bn) sale of the government's 21.9 per cent stake in the group. Page 19; Lex; Page 18

Writ against Bank of England over BCCI: Depositors in the collapsed Bank of Credit and Commerce International issued a writ against the Bank of England for allegedly failing in its role as regulator. Page 18

Hoover to quit Dijon: UK vacuum cleaner company Hoover said it would go ahead with a controversial plan to close its factory in Dijon France, and move production to Scotland. Page 18

UK teaching faulted: The quality of technology teaching in England and Wales is inferior to courses in Germany, the Netherlands and Switzerland, according to the UK National Institute for Economic and Social Research, Page 8

Solvay, Belgian chemicals company, may be forced to close its first soda ash plant in Belgium because of fierce competition from the US and central and eastern Europe. Page 19

israeli growth stowing: A closure imposed on the occupied territories two months ago is slowing Israeli economic growth, Israel's treasury said. In Lebanon Israeli paratroopers shot dead four colleagues in the army's worst battlefield accident for several years. Page 4

Mandela backs vote for 14-year-olds
A suggestion hy African



National Congress head Nelson Mandela (left) that 14-year-olds be given the vote stunned South Africa's political establishment and surprised ANC senior members. South Africa's home affairs minister Danie Schutte said the suggestion

would not receive serious

Spain's Socialists accused: Spain's Socialist party may have illegally financed the 1966 referendum campaign to remain in Nato, a Madrid newspaper alleged. Page 3

US trade index: US commerce secretary Ron Brown is to clarify the US trade picture by combining private sector services and the merchandise trade balance in a new quarterly index. Page 7

Nikon, Japanese camera manufacturer, reported its first loss since it was listed on the stock exchange in 1949. Page 21 American hoteliers happy: Hoteliers in North

and Latin America are gaining in confidence but their European and Asian counterparts say prospects are gloomy. Page 7

Cannes festival prize: The Piano directed by New Zealander Jane Campion and the Chinese film Forewell to my Concubine were awarded the Golden Palm at the Cannes film festival.

STOCK MARKET INDICES	# STERLING
FT-SE 100: 2825.8 (+13.4)	New York lunchäme: \$ 1.5335
FT-SE Eurotrack 1001156.98	
Nikkei	FFr 8,4575 (8.44)
Dow Jones Ind Ave	Y 189.25 (170.25)
# US LUNCHTIME RATES	£ Index 80.6 (Sexte)
Federal Funds. 31 ₆ % 3-mc Treas Bills: Yld3.694%	New York lunchtime:
Long Bond 1913 Yield 7,008%	FFr 5.51475 SFr 4.4765
2 ma betarbunk 6% (6/4%)	Y 110.35 Landor:
Life long gift fature:len 1043(Jun 1041a)	DM 1.8365 (1.6275) FFr 5.51 (5.475)
Brent 15-day July518.36 (18.42)	SFr 1.471 (1.4725) Y 118.3 (110.4)
New York Comex June\$374.2 (377.9)	\$ Index 84.4 (64.3) Tokyo close Y 110.58
London	Lines Cater OR12.00
Austria Sch30 Germany DM3.30 Lux Sehrain Dinf.250 Greecs Dx300 Meta	Lm0.60 S.Arabia SR11
Bulgaria Lin25.00 Issiand IK/180 Noth	FI 3.75 Stovet Rp (SLA6 FI 3.75 Stovenia HF05700 Naiva45 Spell Pta200
Cypnus OE1.00 Israel Shid.90 Norwey	ORI.50 Switz SR3.20
Denvisit OK/15 Jordan JD1.50 Pakistan Start SFA.50 Korea Won 2500 Philippine	Paris Syria 8250.00 8 Paris Turisla Din1.250 71 22.000 Turkey L7000
Financi FM12 Kunnell Fis.600 Poland	Ex215 UAE DM11.00

₩长岩草‡ to learn new tricks

By Quentin Peel in Bonn and David Waller in Frankfurt

MR Franz Steinkühler, leader of Germany's powerful IG Metall engineering workers' union, yesterday offered to resign after accusations that he benefited from insider dealing in the shares of Daimler-Benz.

At the same time he appealed for support from his union members to let him stay in office and win back their confidence. In a separate letter to Mr Hil-

supervisory board is certain to be mar Kopper, the chairman of the

supervisory board at Daimler, of which be is a member, Mr Stein-kühler said he would not attend in a letter to top officials of the any further meetings until an inquiry into insider dealing on the Frankfurt stock exchange reported on his particular case. That means be will not attend the company's annual general meeting tomorrow, at which Mr

His move was seen yesterday not as an admission of defeat by the most powerful union leader

Steinkühler's position on the

in a letter to top officials of the 3.3m-strong union, be admitted that he had made a "political mistake" in buying and selling the shares of two companies closely linked to Daimler.

Although he denies the charge of insider trading in the shares of both Fokker, the Dutch aerospace manufacturer controlled by Daimler, and Mercedes AG Holding, the Daimler holding company, he admitted that It was wrong to have bought and sold

them at all as a board member. He promised that all the shares had now been sold, and the profits paid into the solidarity fund for the recent strike by union members in the east German engineering and steel industries. Mr Steinkühler bought DM1m (\$610m) worth of MAH shares, and earned a profit of at least DM64,000 on the sale of a first

dissolve the bolding company and exchange its shares for full company shares. "I am clear today that it was

tranche, after Daimler decided to

politically wrong for the first chairman of IG Metall to buy the shares of a company to whose supervisory board he belongs, regardless of when it was done," he said

"In that sense, I have committed an error which has shaken not only my personal credibility, but has brought our organisation and our commoo goal into disre-

He said it was impossible for him to lead the union if he no longer had the trust of its mem-

He therefore offered to resign "if my behaviour proves too great a burden for the union".

His letter will be discussed today at a national executive meeting of IG Metall. However, any final decision on whether his resignation is accepted will almost certainly be left to a meeting of the union's national advisory committee - its most important body between national congresses - on June 8.

Protest fear over Bonn's asylum

EC leaders to consider job-creation strategies

By David Gardner in Brussels

EUROPEAN Community leaders are likely to consider a strategy for tackling unemployment in the EC which would create more jobs than economic recovery on its own is expected to produce. A document which the Commission is expected to adopt tomorrow says unemployment could be cut by measures such as reducing employers' social security contributions and encouraging the

the workforce.

lenge to Europe's welfare states.

tensive growth. The document notes that while into Emu

sharing out of jobs. There are now 17.4m EC citizens without jobs, 10.3 per cent of

The framework policy, which was approved in its essentials yesterday by the chefs de cabinet of the Commission, puts forward a jobs-crisis agenda for the next three presidencies of the EC, to the end of 1994. But the so-called "Community-wide framework for employment" avoids any chal-

The document says a return to the high economic and productivity growth of the late 1980s would still leave the Community well short of a target such as 5 per cent unemployment." But the Commission confidently states that "there is suffi-

cient evidence and experience to suggest that ways of, at least, improving the situation can be found - over and above those which can result from higher levels of economic growth."

The proposed strategy, which

is likely to be near the top of the agenda at next month's Copenhagen summit of EC beads of government, is the first EC-wide attempt to deal with structural unemployment. It focuses on ways of creating more labour-in-

Belgium and the Netherlands have similar labour productivity. the Dutch provide jobs for 10 per

■ Healthy ERM could still grow Germans opposed to Emu

cent more people of working age. The Danes earn less per head in real terms than western Ger-

mans, but heve a much higher proportion of people at work. Outside the EC, the Commission notes that the US had the same rate of output growth as the Community In the last decade, but that income growth per American worker was half EC levels. More jobs were created and household incomes rose. In Japan, the document says, high productivity in the traded goods sector has created well-paid jobs in the service sector, where pro-

between people."

The Commission stresses that

to future competitiveness."
But it suggests that employers' ing 15 per cent of wages and sala-ries across tha EC bot varying between member states "from virtually 0 per cent to over 20 per

ductivity is well below EC levels.

"You can have labour-intensive work while still providing a highly competitive product," said one senior Brussels official. "It's a question of bow you share a given volume of employment

its strategy is consonant with the "economic and social aims" of EC member states. It would "not exploit workers in a weak position in the labour market, or inhibit the development of the high value-added, knowledgebased jobs which will be the key

"social contributions" - averag-

cent" - affect job creation. The five main points of its framework therefore call for: "reducing labour costs...nota-bly by modifying the incidence of

Continued on Page 18



The devastated centre of Magherafett in Northern Ireland where the Irish Republican Army exploded a 1,000lb bomb on Sunday

Inquiry calls for EBRD overhaul

By David Hellier and Robert Peston in London

THE audit committee of the European Bank for Reconstruction and Development yesterday urged the hank to achieve "greater efficiency", in response to the slower than expected rate of loans and investment being

It urged the bank, which was set up to stimulate the growth of the private sector in eastern Europe, to introduce new budget disciplines, so executives cannot offset overspending in some areas by underspending in others.

The question of whether budgetary allocations should be transferable was the focus of a meeting yesterday of the bank's directors, who are officials representing the banks and agencies that own the bank.

The board meeting also confirmed the appointment of Coopers & Lybrand, the accountant. to assist the audit committee in its investigation into whether the £55.5m (\$85m) spent on furnish-

Anne Wibble, has called a meeting of finance officials of the leading industrial countries to review the audit committee's investigation into the bank's cost

ing the bank's City of Loodon

headquarters was excessive. It

emerged yesterday that the

Swedish finance minister, Ms

bank's board of governors. It is being hosted in London today by the UK Treasury and will be chaired by Mr Claes de Neergaard, chairman of the EBRD's audit committee. Mr Jacques Attali, the bank's president, has not been invited.

A Treasury official said yesterday the British government was . Ms Wibble called the meeting pleased with the way the audit in her capacity as chair of the committee had "got stuck into"

the task of reviewing financial controls at the bank.

Mr de Neergaard presented to the board meeting a report on the andit committee's work on improving budget controls and reviewing the spending of the £55.5m. The report noted that Mr Cedric du Monceau has taken over on a temporary basis as

Continued on Page 18

Owen to consult EC leaders over future role as mediator

By Robert Mauthner in London and Laura Säber and Kerin Hope in Beigrade

LORD OWEN who, together with Mr Cyrus Vance, fathered the ill-fated Bosnian peace plan, yes-terday hinted that his future role as a mediator might be in doubt. He told journalists he wanted to consult European leaders over the next few days before making a statement. Many observers believe the plan has been sidelined by the international strategy on containing the conflict. Lord Owen said he was facing

a "new situation" following last

weekend's meeting in Washing-

Moslems in Bosnia and proposed the monitoring of the Serbian-Bosnian border to ensure that essential supplies to the Bosnian Serbs would not get through. "My role as a negotiator stems

talking to a number of people over the next few days," Lord He declined to answer when asked whether the Vance-Owen peace plan, providing for the division of Bosnia-Hercegovina into 10 semi-autonomous provinces, might be dead following the

Washington agreement.

from the European Community and I want to talk to them. I'll be

However, Mr Douglas Hurd,

The new peace efforts in Bos-nia should be seen as a prelode to the Vance-Owen plan, not as its replacement, he said. "What we were doing in Washington was to agree on the steps which we agree are immediately possi-ble to stop the fighting and bring the bloodshed to an end."

In Washington, Mr Warreo Christopher, the US secretary of state, defended the new policy of limited steps to contain the war in Bosnia as serving the interests of the American people.

Mr Vitaly Churkin, the special Russian peace envoy, also denied that the new strategy meant an end to the Vance-Owen plan, endorsed by the Bosnian Croats

_35-38

___35,38

ton at which the pean allies and Rus press ahead with "s	US, its Euro-	reject	JK foreign secretary, ted any such suggestic conference in Copeni	on at a		tha Bosnian Continued on Pa
			CONTENTS			
News	Festeres Leader Page	16 10 17 13 14 15	Crossword 54 Companies UK 23 Int. Cap Miss 23 Int. Companies 20-22 Identalis Commodities 26 FT Actuaries 37 FT World Actuaries 38	Gold Mar Equity Op Int. Bond Managed Money Ma Pecant to Share Into	schenges	London SE

WHEN WE INVEST IN A COMPANY WE'RE NOT INTERESTED IN ITS WORTH. ONLY YOURS.

For more than thirty years Gresham Trust has been investing in management rather than just figures on a balance sheet.

If we're convinced that you have the ability, commitment and track record, we'll back our jndgement whether you're raising Lim or Liom.

And because yon're the customer we think yon should decide if and when it's time to sell - an approach that ensures you remain in control of your own destiny

Whether you require equity capital for a management bny-ont or for your company's expansion, call Trevor Jones or a member of his team on 071-606 6474. Yon'll find they're well worth talking to.

GRESHAM 🏖 TRUST

EQUITY CAPITAL FOR MANAGEMENT Gresham Trust p.l.c., Barrington House, Gresham Street,

London EC2V 7HE. Member of The Securities and Futures Anthonive

criticises drug curbs

By Paul Abrahams in Salzburg

MR Martin Bangemann. European Commission vice president, vesterday criticised European governments for limiting spending on drugs. He warned that measures to hold down costs would affect drug companies' profitability and tbeir ability to develop new medicines.

"Departments of health are waging an increasingly desperate struggle to control costs and the pharmaceutical industry is their favourite target. even though it accounts for only a small proportion of health care spending," he said.

This year the German, British and Italian governments have introduced or proposed measures to rein in drug

Mr Bangemann told the European Federation of Pharmaceutical Industries' Associations conference in Salzburg that if companies continued to negotiate separate deals with governments, such as agreeing to invest in a country in exchange for high prices, they would not benefit from the single market. This was a vicious circle involving both compames and governments

THE FINANCIAL TIMES
Published by The Financial Times
[Europe] GmbH, Nibelungenplatz 3,
6000 Frankfurt am Main I, Germany.
Telephone 49 69 156 850. Fax 4969
3964481, Telex 416193, Represented by
Edward Hugo, Managing Director,
Printer: DVM Druck-Vertrieb und
Markeung GmbH, Admiral-RosendahlStrasse 3a, 6078 Nem-Isenburg 4 Jowned
by Hürrivet Internetional).
Responsible Editor Richard Lambert,
c/o The Financial Times Limited,
Number One Southwark Bridge,
London SEI 9HL, UK, Shareholders of
the Financial Times (Europe) GmbH
are; The Financial Times (Europe) Ltd,
London and F.T. (Germany
Advertising) Ltd, London, Shareholder
of the above mentioned two companies

Accertising Ltd. London, Shareholder of the above mentioned two companies is: The Financial Times Limited, Number One Southwark Bridge, London Sel 9HL. The Company is incorporated under the laws of England and Wales Chairman: D.C.M. Bell. FRANCE, Publishing Director I. Pollon, 148 Publishing Director I.

FRANCE Publishing Director J Rolley, 169 Rue de Riveli, F-75044 Paris Cedex 01, Telephone 1011 4297-0621, Fax 1011 4297-062, Fax 1011 Fallor Richard Lambert, ISSN, ISSN 1148-2753, Commission Paritare No 67893D DE-MARK Financial Times (Scandinavia) Ltd. Vitameliskafted 42A, DK-1161 Copenhagenk, Telephone 33 13 44 41, Fax 53 93 53 35

Bangemann Balladur to borrow \$7bn to boost economic revival

By David Buchan and Alice Rawsthorn in Paris

MR Edouard Balladur, French prime minister, is to launch a FFr40bn (\$7.31bn) bond issue to finance job-creation measures and speed up public works to

help revive the economy. The government had already indicated it planned steps to bring down France's 10.7 per cent unemployment rate. After talks with employers

and unions in recent days, the prime minister has decided to use the parliamentary debate on the budget today to announce the "acceleration" of measures to raise employment, which he had intended to leave until the autumn.

According to La Tribnne ewspaper, the measures could include an extra FFr2bn to keep young people in work experience schemes, in addition to the FFr7bn payroll tax cuts in the May 10 budget and accelerated spending of the extra FFr1.3bn already pledged for public works.

Mr Philippe Auberger, the parliamentary budget rapporteur, welcomed the govern-ment's intention to fund a jobcreating initiative through a special bond issue. The government could thereby take advantage of the fall in the cost of money - which continued its decline yesterday when the Bank of France cut its

intervention rate from 7.75 per cent to 7.5 per cent and the five-to-10-day lending facility from 8.75 per cent to 8.5 per cent. Mr Auberger said investors might hurry to subscribe to a new loan before rates fell

Economists are now waiting to see whether the commercial banks will follow the Bank of France's lead hy cutting base rates as they did two weeks ago - from 9.25 per cent to 9 per cent - following the last cut in official interest rates.

The reduction yesterday means that the cost of France's official short-term facility has fallen from 12 per cent to 8.5 per cent under the new govern-

So far, lower interest rates have had little impact on the French economy, which is plagued by sluggish consumer spending and industrial investment. Public borrowing for 1993 was last set at FFr220bn in December. Since then, the official budget deficit estimate for this year has been raised from FFr165bn to FFr816bn. · Norway's central bank yesterday announced a cut in the key overnight lending rate to 7.50 per cent from 7.75. It was the 12th rate cut so far

this year, with rates having started 1993 at 11 per cent. The bank said the move was part of the downward trend in



Balladur: Jobs package to be unveiled today

Europe urged to end reliance on US

By Lionel Barber in Brussels

EUROPE must develop an independent army to tackle security threats on the conti nent rather than rely on the US to come to the rescue, Mr James Dobbins, outgoing US ambassador to the European Community, said yesterday.

in a reference to recent divi sions within the alliance over how to respond to the conflict in former Yugoslavia, Mr Dob bins said: "The American peo ple, in my judgment, are unlikely to support a long-term US troop commitment to Europe if they see its purpose as protecting rich, prosperous Europeans against two-bit out laws like Serbia "

Mr Dohbins added: "Until the major European nations, including Germany, are prepared to send their young men abroad to fight, and to die if necessary, in a European cause, under a European flag, and within a European command, no amount of planning for a European security idenhity will field a single battal-

Mr Dobbins, who was speak-ing in Brussels at the Centre for European Policy Studies, acknowledged his speech was

drafted before the latest alliance moves to end divisions over how to respond in Bosnia. But they also mark a shift in thinking in some US circles toward a sharing of burdens in the post-cold-war era, between the Nato alliance and an emerging European defence identity, probably the Western European Union, particularly where there was no vital US

interest involved. Mr Dobhins also urged the EC to integrate Russia, along with other east European countries into a new Euro-Atlantic

He suggested parallels

between Russia's position in 1993 to Germany's position in 1945. Just as Germany (albeit divided) was integrated into western institutions such as Nato and the EC, so Russia should be included in arrangements for eastern Europeans. "An arrangement whereby

western Europe provides security to Russia's neighbours while the US establishes a strategic partnership with Russia is a formula for disaster," he

Mr Dobbins, a career diplomat, is to be replaced in the summer by Mr Stuart Eisenstadt, a Democrat appointee.

'Healthy' ERM could still grow into Emu

Lionel Barber assesses EC finance ministers' steps likely to restore confidence in currency system

TO TALK of a new realism permeating the affairs of the European Community may be premature. But after two days of talks in a former sanitorium in Kolding. Denmark over the weekend, EC finance ministers took several steps likely to rebuild confidence in the European exchange rate mechanism, while keeping the more ambitions project of European Mon-

etary Union in their sights. Mr Horst Köhler, German state secretary of finance, picked up the meeting's central theme: the need to regain cred-ibility. He doubted whether a majority of EC member states would be ready for monetary union by 1997, the earliest date set down in the Maastricht treaty, and he served notice that Germany would not support moves to water down the targets on inflation, budget deficits and government deht the so-called "convergence

criteria". Without as much as a whimper, all present agreed. Mr Jacones Delors, European Commission president and one of the architects of Emu, declared that there was no need for change Mr Philippe Maystadt. Belgian finance minister, who just a week ago predicted that member states would have to alter the targets if the recession continued into 1994, said

he had been misunderstood. There is not going to be a fast-track to monetary union, said an EC official. "It's going to be a long hard slog."

Clearly a funny thing happened on the way to Kolding. There are two likely explanations: one is that ministers are desperate to capitalise on the Danish Yes in the (second) referendum last week on the Maastricht treaty, and are well aware that loose talk about amending its provisions would scare the markets.

Just as important is the influence of the two high-level official investigations into the exchange rate crisis last autumn which led to the forced departure of the British pound

and the italian lira from the ERM, followed by devaluations of the peseta, the escudo and the punt.

in a commendable exercise in transparency, the Danish presidency of the EC won agreement to make public the reports, one by the committee of central bank governors and one by the EC's monetary committee. Both reject wholesale reform of the ERM, emphasising instead the need to apply

the rules more rigorously.

By spreading the hlame for the crisis, the committees defuse the Anglo-German row that followed it: the Bonn gov-ernment is criticised for financing unification through borrowing, a policy mix which forced np interest rates and deepened the recession in Europe. The UK is implicitly rehuked for sticking to an overvalued exchange rate and failing to raise interest rates to deter speculators.

he reports' conclusions could have come out of the mouth of the Bundesbank: each member state must first put its own economic house in order, and no member state has an ohligation to intervene in the markets to

prop up weaker currencies.

Ministers supported a call for an "early warning system" whereby the monetary committee or central bankers would use confidential economic indicators to strengthen the case

for a member state to devalue. The call for frank, if confidential discussions prior to devaluation may be easier said than done, according to an EC official involved. As was evident during the crisis last Sep-tember, ministers and officials prefer to use code rather than spell out the case for a general realignment in the ERM.

Yet Kolding's achievement was to produce a consensus on the ERM - even among the weaker currency members such as Spain and Portugal and those outside the system such as the UK and Italy. This consensus is an essential building block for Emu, said one EC official.

Mr Norman Lamont, UK chancellor of the exchequer and an outspoken critic of the Bundesbank, conceded that the German central bank had fulfilled its obligations in support. of sterling in the run-up to Black Wednesday.

Editorial comment, page 21

Poll swings against EC

A single currency and European monetary union are opposed by 60 per cent of Germans, according to the latest Eurobarometer poli on EC opinion, which more predictably shows 65 per cent of Danes and 60 per cent of British against, writes David Gardner in Brussels.

Overall, however, 52 per cent of Europeans favour a single currency, with 38 per cent against.

However, there are blg majorities for a common foreign and security policy averaging 66 per cent to 19 per cent across the EC - and wide support (77 per cent against 13 per cent), everywhere except over.

Denmark, for a common defence regime. Majority opinlon in all countries except Denmark, Germany and Greece, moreover, supports EC military intervention in Bosnia to establish peace.

Support for the EC has none theless dropped since the twice-yearly Eurobarometer last appeared in November.

Gonzá

anothe

Maastricht is supported by 41 per cent, with 24 per cent against and 35 per cent undecided. More strikingly, 47 per cent are unhappy about democracy in the EC. The Commission withheld the

poll results until the Danish referendum on Maastricht was



Q: Who gives you First Class when you've bought Business Class?

(TO CALGARY, EDMONTON AND VANCOUVER THIS SUMMER).



Q: Who gives you First Class champagne and caviar when you've bought Business Class?

(TO CALGARY, EDMONTON AND VANCOUVER THIS SUMMER).



Q: Who gives you First Class luxury seats when you've bought Business Class?

(TO CALGARY, EDMONTON AND VANCOUVER THIS SUMMER).

If you've hought full fare Business

at the end of October, so get In touch

Class flights to Calgary, Edmonton or

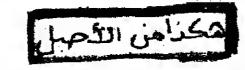
with your travel agent for details, or

Vancouver this summer, Air Canada will move you automatically

ring Air Canada 081 759 2636 from London or 0800 181313

to First Class: Offer closes

from elsewhere in the UK. A BREATH OF FRESH AIR. SUBJECTTO FIRST CLASS SEAT AVAILABILITY AND TO LAST MINUTE CHANGE OF AIRCRAFT.



for big IMF

capital and management exper-

tise. Mr Anatoly Chubais, dep-

uty prims minister in charge of privatisation, admitted at the

weekend that he had been

'very concerned" before the

referendum that reform and

But since the referendum, all

those regions that had refused

to sell off state companies through auctions had now

agreed to do so. "By June 1 not

one region will stand out

against the government's pro-

The price of the privatisation

vouchers, which had sunk

below Rbs4,000, had risen to

Rbs5090, and the federal parlia-

ment had given up attempts to

stop the privatisation process.

be said, "not because they

have become supporters of pri-vatisation, hut because they

know they would lose support

Mr Chubais also thought fur-

ther reforms of the Russian

cabinet were imminent, with

radical officials likely to be

promoted in order to encour-

However, Mr Shokhin

sounded a note of caution on

reform when he expressed

some scepticism over the

agreement between the bank

and the government because of

the difficulties of controlling

credit emission from the cen-

trai bank under the chairman-

ship of Mr Victor Gerash-

chenko. Mr Gerashchenko has

agreement to limit credit

expansion to 30 per cent in the

if they tried to stop it".

age reform.

gramme," he said.

privatisation would both fail.

By John Lloyd and Leyla Boutton in Moscow

THE Russian government and

the central bank have agreed ambitious targets to cut credit

expansion, inflation and the

budget deficit, clearing the

way to receive the first half of

the \$3bn (£1.9bn) systematic

transformation facility from

the International Monetary

The government and the

bank said they would retain tight control of credit expan-

sion and attempt to reduce

monthly inflation to 9 per cent

and the budget deficit to 5 per cent of gross national product

Mr Alexander Shokhin, dep-

uty prime minister for foreign

economic affairs, yesterday

said be expected the first

\$1.5bn tranche of the facility

within a month, and the sec-

ond tranche in the second half

of this year. A further \$4bn

should also be paid over in the

latter half of 1993, he said, as

the largest part of the IMF

stand-by loan which is condi-

tional upon Russia getting eco-

Mr Shokhin hoped the July

meeting of the heads of state of

the Group of Seven industria-

lised nations in Tokyo would

agree a further \$4bn fund, pro-

posed by the US, to assist with

the privatisation process. Pri-

vatisation of small, medium

and large enterprises is pro-

although the newly privatised

companies desperately lack

nomic reform back on track.

hy the end of the year.

shipyard sell-off

By Christopher Bobinski

POLISH government decision to suspend the sale of the Szczecin shipyard, at the bebest of President Lech Walesa, has provoked strong pro-

tests from local unions. Mr Walesa made the move and the local hranch of the forcriticised Mr Jurczyk's proposals and back the original privatisation plan. The shipyard is

one of Poland's most successful

2,000bn zloty (£73.3m) debt. Poland's Bank Handlowy has also opened a three-year \$110m. (£71.4m) credit line for the yard. Sales last year reached over \$180m, with the yard, which receives no snhsidies,

breaking even. supplying 60 per cent of medi-um-sized container vessels.

sion "tragic".

The yard had hoped to estab-

ner, the Norwegian shipping investment and brokerage house, has been appointed by Poland as its adviser on restructuring the country's \$12.1hn commercial bank deht. Negotiations on the deht are expected to last until the end



The Patriarch of the Russian Orthodox church, Alexei II (left), speaking to Patriarch Parfent III of the Alexandria cburch at a ceremony in the centre of Moscow yesterday before a statue of the ninth-century Byzantine missionaries, Cyril and Methodius, who are credited with having invented the Slavic alphabet

current quarter and a further 30 per cent in the second half of this year could not suc-

The deputy prime minister also said that Mr Boris Yeltsin, the Russian president, is to go to Copenhagen from June 19 to 21 for talks with the leaders of the European Community on a possible agreement between Russia and the EC on what Moscow alleges are discriminatory practices against its prod-

ucts. Mr Georgy Gabunia, the

deputy trade minister said that the EC had designated Russia as s state-aided economy in which large subsidies were paid on its goods. However, the Russian side

will argue that prices have largely been freed and that it is inconsistent to end discrimination against the Baltic states - whose economies are still substantially state-owned - while retaining them against Russia and other for-

mer Soviet republics.

New leads in Italy scandal

Telecoms industry widens tangle of inquiry, writes Haig Simonian

B Y arresting a string of leading telecommunications executives, including the local heads of multinationals such as Siemens and Ericsson, Italy's magistrates have plugged into an impor-tant new line in the political

corruption scandal. Cynics have already renamed the ministry of posts and telecommunications the ministero delle poste e tangenti (bribes), reflecting the stream of allegations regarding billions of lire in kickbacks on hig

telecoms contracts. The information, based largely on the leaked testimony of Mr Davide Giacalone, a former adviser to Mr Oscar Mammi, the former posts minister, has proved a deep embarrassment to the Republican party. Small but influential. the Republicans have managed to remain relatively unscathed by the corruption scandal, in spite of a warning to Mr Giorgio La Malfa, their former leader, of possible prosecution on allegations of illegal party

That calm was shattered at the weekend after leaked testimony by Mr Giacalone alleged the Republicans received about L9bn (£4m) in kickhacks on telscoms husiness between 1987 and 1990. The allegations prompted magistrates to inform Mr La Malfa and Mr Mammi that they were under investigation on more serious charges of receiving illicit funds and illegal party funding. Both politicians protested their innocence, and Mr Mammi is to resign as an MP. which removes his parliamen-

tary immunity. The revelations also embarrassed Mr Silvio Berlusconi, Italy's media magnate, after it was learned Mr Giacalone

Milan magistrates have opened another significant line of enquiry into corruption in the form of political kick-backs on contracts controlled by the Culture Ministry, Robert Graham reports from Rome. Yesterday, police arrested Mr Alberto Ciampaglia, former treasurer of the small Social Democrat party, for allegedly receiving a L400m (£175,510) payment from an architect for restoration work. Last week Ms Vincenza Bono Parrino, Social Democrat culture minister from 1968 to 1969, was warned she was under investigation for allegedly receiving L2.5bn for restoration contracts for historic monuments.

Mr Ciampaglia was one of four people arrested yesterday in connection with the culture ministry enquiry. In another deveiopment, Mr Francesco Forte, a prominent Socialist senator and former finance minister, announced he had received notice that he was under investigation for allegedly receiving illicit funds.

worked as an independent consultant to Mr Berlusconi's Fininvest group on leaving the ministry. Among Mr Giaca-lone's tasks for Mr Mammi was advising on the highly sensitive allocation of valuable broadcasting frequencies, an issue of concern to Fininvest. which controls Italy's three biggest private TV channels.

Telecommunications are likely to keep magistrates engaged for some time. In the past 10 days, they have arrested the heads of the Italian tslecoms subsidiaries of Sweden's Ericsson, GEC Mar-coni of the UK and, most recently, Germany's Slemens. Both Alcatel and Pirelli, leading cahles producers, have also reportedly admitted to paying kickbacks.

In the past three days, magistrates have made two further calls. Mr Luigi Montella, managing director of Sirti, the network engineering subsidiary of the huge, public-sector Stet telecommunications group. was arrested at the weekend. And yesterday saw the arrest of Mr Tommaso Rea, a senior Stet executive who headed its Seat yellow pages divisions until last year and now runs

lts AET subsidiary. The

involvement of Stet, one of Italy's biggest companies and closely followed by international Investors, marks a potentially explosive development in the inquiries, which have so far focused on the former ASST state telecommunications agency.

Unlike the UK, France or Germany, Italian telecommunications is split between seven different companies. Stet, which is majority-owned hy the Iri state holding company, is the umbrella group for Sip. the main telephone utility; Italcable (international calls): Telespazio (satellite communications); Sirti and Italtel (equipment manufacturing).

be group is notorious for its political appoin-tees. Top executive posts have mushroomed to accommodate the political parties' desire for representation, while co-ordination is limited and in-fighting endemic. Until this year, ASST was an

than Iri, the agency in theory

dovetailed between Sip and

Italcable. ASST handled inter-

additional player in the telecoms game. Directly controlled hy the post ministry, rather

tance international calls (with intercontinental business left attempt at rationalisation, ASST was transferred to Iri this year, and renamed Iritel. The company which employs about 18,000, is expected to disappear in a restructuring which may leave just one telephone utility by the late 1990s. Both ASST and Stet have invested massively to bring the once lamentable telephone system up to date. Sip alone had a L5.000bn-a-year investment plan for 1988-91, which was stepped up to L11,000bn yearly for 1992-95. The allegations of kickbacks

have so far been restricted to ASST, with indications that the agency, linked directly to the political establishment. was used as a direct source of funds. The investigations started after Mr Giuseppe Parrella, former director general of ASST, was arrested in connection with alleged kickbacks of L40bn on L2,500bn of business involving domestic and multinational telecoms group between 1987 and 1991. Soon after came the arrest of Mr. Giuseppe Lo Moro, a former assistant to Mr Parrella, and then Mr Giacalone. The telecoms inquiries are .

probably still in their infancy. Magistrates are already looking into the links between ASST and the posts ministry, So far, Mr Antonio Gava, Mr Carlo Vizzini and Mr Mammi. the three post ministers between 1987 and 1991, have all been told they are under investigation for alleged political corruption. However, Mr Mammi is the only one so far facing allegations specifically

González faces another scandal over party funds

ceeding rapidly in Russia. recently commented that the



े चुर्र 2 स जन्म 1 जन

moved a step in the June 6 election after a Madrid news-**ELECTIONS** tions that the party may have

illegally financed the 1986 referendum campaign to remain The Socialist party, while not denying the charges, said they were a political attack. The income was not illegal, the

party said, since it predated the current party financing The allegations, published so close to the election, are bound to have an electrifying effect on wavering voters. The conservative Partido Popular (People's party) and the Socialists continue to run neck-and-neck in the polls. Although the Socialists appear to have escaped from the recent peseta devaluation and increase in

unemployment with little damage, a new corruption scandal could be much more wounding. Polls suggest that up to half the electorate is undecided, and many former Socialist voters have been dismayed

El Mundo, the newspaper SPAIN'S ruling which published the charges. alleged the party raised more than £3.2m in 1986, mainly in the form of commissions paid to the hy construction companies. El Mundo has been responsible for uncovering nearly all of the scandals that have weakened the prime min-

> including the so-called Filesa scandal, which is credited with having forced Mr González to call an early election. Filesa was a dummy consultancy company run by Socialist party officials, which raised more than £6.4m in the late 1980s by selling reports and services to client companies. None of the reports has ever been produced and Treasury inspectors suspect they do not exist. The Filesa cash is alleged

ister, Mr Felipe González,

to have been used to finance the Socialists' 1989 election campaign. The new El Mundo claims came on the day Mr González was due to hold a televised election debate with his main political challenger, the People's party leader, Mr José

Maria Aznar. Up to 5m people were expected to watch the debate, the first ever in a Spanish election. Voters see little difference between the PP and the Social-

ists on economic policy, so the

corruption allegations could have a decisive effect. by the torrent of corruption charges made against the Polish row over

after meeting Mr Marian Jurczyk, the leader of the radical Solidarity 80 union, which wants the yard to be privatised through an employee buy-out. However, the Solidarity union mer communist OPZZ have

The original plan involved the sale of 30 per cent of the yard's equity to its domestic creditor banks and 30 per cent to the 5,000-strong workforce. A further 9 per cent would be sold to management and 10 per cent would go on public offer. Last year, the yard negotiated a reduction of its near

Cuts in delivery schedules and low lahour costs have made it competitive on the German market, where it is

The yard's managing director, Mr Krzysztof Piotrowski, called the government's decilish an "industrial group" mod-elled on Japanese giants such as Mitsubishi or even Kvaer-

• Kidder Peabody, tha US

Protest fear over Bonn's asylum bill vote

By Ariene Genillard in Bonn expected to gather in Bonn today and tomorrow to protest against the German parliament's plan to change the constitution and curb the influx

An additional 3,000 police-

men and border guards will patrol the city to prevent the protest turning to violence ahead of the parliamentary vote, due tomorrow.

The government said that it feared tronhle after learning that extreme left-wings groups had vowed to prevent the parliament from voting. Some 10,000 people are expected to take part in the demonstration. The largest protest action

of asylum seekers.

ing together various church groups, the Greens, the small German Socialist party, and movements against racism. The demonstrators are protesting against changing article 16 of the German con-

will be beaded by Support

Action for Asylum, an

ambrella organisation gather-

stitution which grants any refugee the right to seek asylum in the country.

However, the parliament is expected to vote for an amendment allowing asylum-seekers to be sent back over the German border to third countries

The constitutional amendment, which requires the sup-port of the opposition Social Democrats (SPD) in parliament, was drawn up after two years of heated debate over Germany's liberal asylum

such as Poland and the Czech

Since the beginning of the year, some 150,000 refugees bave applied for asylum. Eighty per cent of the asylum seekers entered Germany from Poland or the Czech republic. SPD leaders have appealed to their party's MPs to vote in favour of the proposal. But a strong minority of left-wing

The SPD parliamentary whip, Mr Peter Struck, says there are about 100 rebels among the SPD's 259 deputies This is too few to block the bill, for which Chancellor Hel-mut Kohl needs only about 45

SPD votes.

deputies is fiercely objecting

bers of refugees and lack the legal environment to ensure fair asylum proceedings. Germany and Poland recently signed an agreement to allow refugees to be sent

They argue that countries such as Poland and the Czech

republic do not have the infra-

structure to house large num-

Speed Flexibility Experience Strength

Chick reactions to market opportunities and a liegible, ellent first approach to problem solving are major reasons why compositions banks, governments, and inequilibrial pressure approach the available are

turning to Contrierzhadt

Af Commerzhadt you also begint from the Reguest artification ing experience nonverve strangthor equal parties, and plans reach of one of Germany's leaders at the expension transfer.

We offer a communicative cholis of investment beautiff separations designed by int the specimentages of formatical authorises. Rangung from food-resising operations are likely designed agreement, and broker/design services.

In addition to the bank's repectations in Stantonis represents the bank management as a second set of specialized investigated and appropriate the second set of specialized investigates and second set of second secon units in New York Landon Zorich, toxenmourg Paris, Amsterdam

COMMERCEANE

military chief sacked

By John Burton in Secu

SOUTH Korean President Kim Young sam yesterday sacked the chairman of the joint chiefs of staff in a continuing purge of the military under the new civilian government.

In his first three months in office, Mr Kim has replaced many senior commanders in an attempt to impose firm civilian control over the military, which ruled the country for the past 32 years.

Most of those dismissed have been army officers who are members of the Hanahoe (One Mind) society, which plotted the last coup in 1979 and idents, Mr Chun Doo-hwan and Mr Roh Tae-woo. Hanahoe consists of the graduates from the Korean military academy in

In what is regarded as a move to reduce the influence of the army, the biggest and most powerful service, Mr Kim appointed the air force chief. Gen Lee Yang ho, as the new chairman of the joint chiefs of staff to replace Gen Lee Pil-sup of the army. The position has previously been held only by

army generals.

The appointment of the air force chief may also be an attempt by Mr Kim to make amends to the junior services aftar the recent arrest of a dozen air force and navy officers on corruption charges including bribery to obtain

The air force and navy complained they were being unfairly punished, since Mr kim was ignoring suspected THE KHMER ROUGE surprised UN officials in cases of corruption io the

The corruption charges have threatened to damage severely relations between Mr Kim and the military when tensions are growing with North Korea over its suspected nuclear weapons programme.

Mr Klm then tried to improve ties with the military by cancelling plans to prose-cute the officers for corruption, although they were dismissed from the service.

The current purge, bowever, bas support within the military, particularly among younger officers who have seen their chances for promotion blocked by the older generamilitary dictatorship.

Progress in Tokyo airport row

By Robert Thomson in Tokyo

A PARTIAL settlement was reached yesterday in a 25-year dispute between the Japanese government and protest groups which have blocked the construction of the New Tokyo International Airport at Narita.

The continuing Narita protests and the opposition of local farmers' groups have suc-ceeded, to the embarrassment of the government, in crippling plans for two runways and a high-speed railway link from the airport to central Tokyo.

At a meeting yesterday, the government agreed to halt preparatory work on the two run-ways and withdraw applications to seize land which residents have refused to sell. In return, an influential protest group, Atsuta, will join a forum to plan the final stages of the airport's construction.

The agreement does not include two other farmerbacked protest groups which still own land in the path of the proposed runways. One of those groups insists that the entire Narita project, including the buildings already com-pleted and open for business,

must be scrapped. However, the government bopes those groups will join Atsuta in the forum, due to be established late this year. Mr thei Ochi, the transport minister, hailed the agreement as a "new beginning", but it still remains unclear as to when the dispute will come to an

S Korean | Cambodia shatters myth of Japanese warrior

Timidity among Tokyo's UN contingent has embarrassed the government, writes Victor Mallet



Nations in Cambodia can have been as pleased as the Japanese that the first two days of the UNorganised election **ELECTIONS** this week passed off

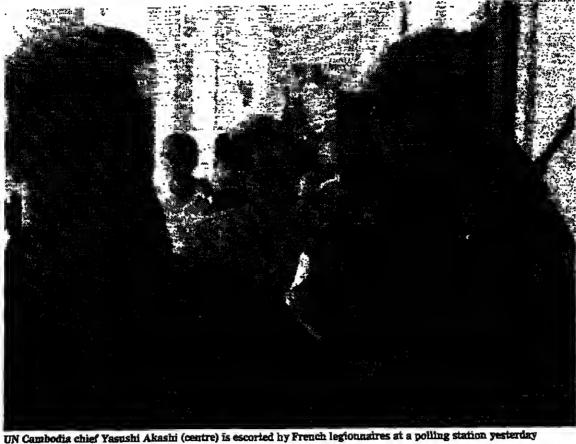
much more peacefully than expected. Japan's attempt to forge a new and more prominent role for itself on the international stage - symbolised by the choice of the Japanese diplomat Mr Yasushi Akashi as chief of UN operations in Cambodia - has been afflicted by both tragedy and ignominy.

The killing of two Japanese peace-keepers in separate attacks in April and May prompted anxious Japanese at home and fearful Japanese policemen in Cambodia to ask the Tokyo government to withdraw its nation als and thus end its first use of ground forces abroad since the second world war.

Such a move would probably have put an insurmountable obstacle in the way of Japan's efforts to earn a permanent seat on the UN Security

For the time being Mr Kiichi Miyazawa, Japan's prime minister, has held firm, relterating his country's commitment to the UN Transitional Authority in Cambodia (Untac) while sending senior officials to Phnom Penh to plead for improved security for Japanese and other

Japan, whose contributions to Cambodia included 600 members of an engineering hattalion and 75 unarmed policemen, has had an unhappy record in the country, although there is so far no evidence that its nationals are being targeted by Khmer Rouge guerrillas as the



"soft underbelly" of Untac's 22,000

Atsuhito Nakata, an idealistic and dedicated 25-year-old civilian volunteer working as a district electoral supervisor, was ambushed and murdered with a Cambodian assistant in Kompong Thom province in April. It is not clear whether he was killed by the Khmer Rouge or by trustrated job seekers denied lucrative employ-

ment with the UN. Haruyuki Takada, a 33-year-old policeman, was killed in north-western Cambodia earlier this month in a Khmer Rouge attack on a UN con-

After the second killing, several Japanese policemen deserted their posts and sought the safety of the capital, to the intense embarrassment of the Japanese government

and Mr Akashi. Mr Hiroto Yamazaki, head of the Japanese police in Cambodia, asked for his men to be withdrawn from the country.

"It's absurd," said one diplomat from another nation contributing forces to Untac. "You can't have countries taking that sort of unilateral action."

At least four of the policemen are

sorts by declaring them to be ill. Japanese journalists say they are suffering from "mental exhaustion". Brig-Gen Klaas Roos, the Dutch chief of Untac police, says they have medical certificates and will be sent

The humiliation of the Japanese contingent was compounded when two prisoners linked to the Cambodian government and suspected of murdering an opposition politician escaped in a jailbreak in Prey Veng, posed to be guarding them 24 hours a day precisely because Untac did not trust the prison authorities to

keep the suspects behind bars. Outdated western images of the "warrior" Japanese dating back to the second world war have quickly been dispelled by the reality in Cambodia, and replaced with a sense of resentment that the Japanese appear to be receiving special treatment. The Japanese engineers, and the 40 newly-arrived Japanese interna-

tional polling station officers, have been posted to Takeo province near Phnom Penh, which is regarded as one of the safest areas of Cambodia. In Takeo the engineers live in a luxurious camp which boasts everything from air-conditioning and video games to herhal haths, karaoke machines and cold Sapporo beer. All polling station officers were allowed to receive a light flak jacket but some non-Japanese complained that their Japanese colleagues had been issued with full hullet-proof vests by Tokyo. Part of the problem for the Japa-

nese policemen and soldiers is that their government, in its eagerness to play an international role, deliberately painted too rosy a picture of the situation in Cambodia.

Among the principles laid down by

and Japan have found a solution of the government for Japanese participation in peacekeeping operations - to conform with Japan's pacifist post-war constitution - was that there should be a ceasefure agreement in place. However the Cambo-dian ceasefire has been more honoured in the breach than the

observance. "We are interpreting (our constitu-tion) to the maximum possible so that our government can contribute to international peacekeeping operations," admits one Japanese

diplomat in Phnom Penh. This stretching of the rules is confirmed by Japanese officers from the engineer battation in Takeo. Faced with the threat of Khmer Rouge attempts to disrupt the election, the Japanese are mounting armed patrols around their camp, but they have to say publicly that they are just driving around and having a look. "In the Japanese area, it's not called a patrol, but it is a patrol," says one officer.

Japan has learned the hard way from Cambodia - where the Khmer Rouge has flouted a 1991 peace agreement - that peacekeeping is an unpredictable and dangerous business which demands flexibility rather than a set of rules insisting blindly on real peace as a condition for participation.

rest

dic

"I received a message from the sec-retary-general of the ruling [Japa-nese] Liberal Democratic party reminding me that the Japanese peacekeepers in Cambodia are still at the kindergarten stage," Mr Akashi, the Untac chief, told reporters

Even though they may seem to you very cowardly and timid, you have to give them time and experience," he said. "I am sure that in the future they can contribute very positively to peace in the world."

KHMER ROUGE ALLOWS GUERRILLAS AND CIVILIANS TO VOTE

Cambodia yesterday by allowing some of its own guerrillas and civilians living in its territory to vote in this week's election, only days after warning Cambodians not to go to the polls on pain

of death, reports Victor Mallet from Phnom Penh. About 200 Khmer Rouge cadres emerged from the wilderness to vote at Poipet on the Thai border on Sunday,

UN officials said yesterday. In some districts the Khmer Rouge instructed its supporters to vote for Funcinpec, the royalist party

to the Phnom Penh government The Khmer Rouge pulled out of a peace accord signed hy the four main Cambodian

threatened to disrupt the UN-organised elections, but it may have decided to renew ties with its old allies in the royalist camp in the hope of a Functimec victory.

Prince Norodom Ranariddh the Funcinpec leader, and his father Prince Sihanouk, the former "god-king", have called for reconciliation with the Khmer Rouge, whereas the

According to the UN Transitional Authority in Cambodia, between 60 and 70 per cent of those registered have already voted; the voting ends on Friday.

government says it will treat

the guerrillas as bandits if

it wins the election.

Palestinian curbs 'hurt Israel'

By Our Jeruselem Correspondent

ISRAEL'S treasury forecast yesterday that a closure imposed on the occupied territories two months ago is slowing Israeli economic growth in 1993 and accelerating inflation. It said the closure, limiting the number of Palestinians

from the territories allowed to work in Israel, had mostly hurt building and farming sectors. The treasury report, given to Prime Minister Yitzhak Rabin's cabinet on Sunday, predicts the closure will slow economic growth by 0.5 to 1 per centage point while boosting annual inflation by 2 to 3 percentage points.

percentage points.
For tha moment, however, the economic strictures are confined to the Palestinians. At Rafiah's fruit and vegetahle market in the Gaza strip, dozens of boxes of loquats and peaches have been slowly spoiling for a week. "There are no buyers because there is no

money. And there is no money because nobody in Gaza can work these days," says one of the market stallholders.

Introduced following the killings of 15 Israelis by Palestinians in March, the closure was initially welcomed by some Palestinians. Israel, they rea-

Israeli security forces are concerned at the 'pressure cooker' atmosphere building up among jobless, impoverished, frustrated Palestinians

soned, was, in effect, returning to its pre-1967 borders. Mr liter Turkmen, the visiting commissioner-general of the acknowledging that it could not guarantee its own security. Surely withdrawal could not now be far away.

But two months on, harsb zic reality has replaced such thinking. Before the closure, about 130,000 Palestinians from the occupied territories crossed the checkpoints daily Today, only about 45,000 have permits. The rest are jobless and, after Sunday's Israeli cabinet rejection of proposals to pay, increasingly short of cash.
Palestinian economists told
Mr Rabin is apparently

commissioner-general of the United Nations Relief and Works agency last week that they estimated the closure was costing them \$5m a day in lost wages and other side-effects. "And with their depressed economy," noted Mr Turkmen,

"that is a buge sum." Sunday's cabinet meeting did approve the allocation of

to jobs in huilding, agriculture Shk30m (£7m) to create 20,000 and industry inside Israel. Jobs in the territories in the next two months. But even assuming that many jobs can be created so quickly, this would leave another 65,000 Palaward them unemployment estinians out of work as a

Mr Rabin is apparently so delighted by the marked reduction in Palestinian attacks on Israelis since the closure began that he would like to maintain it for weeks if not months to

But the policy is facing growing opposition from a variety of sources. The UN secretary general, the UNRWA commissioner-general, the president of the International Red Cross and the US State Department have all in recent days urged Israel to ease conditions in the territories.

The Israeli security forces too, are expressing the concern at the "pressure cooker" atmo-sphere building up among jobless, impoverished, frustrated Palestinians.

US warns Saddam on Kurds

US secretary of state Mr Warren Christopher yesterday warned President Saddam Hussein of fraq not to launch an offensive against Kurds in an autonomous enclave of northern Iraq, Reuter reports.

The New York Times reported yesterday that Iraq was massing troops and weapons along a 280-mile front line with the Kurdish enclave and was preparing to attack. possibly within the next two

Mr Christopher partially confirmed the report before meeting Mr Youssef Bin Alawi Bin Abdullah, Oman's foreign minister.

He said: "There have been some preliminary reports with respect to Iraqi troop movements and what I would say to Saddam Hussein is that we intend to enforce the United Nations resolutions with great

Eritrea achieves independence

Eritrea, the northernmost province of Ethiopia, yesterday formally declared itself the world's newest nation, AP reports from Addis Ababa.

President Isaias Aferwerki. the key leader in a 30-year war of independence, called it a "moment of joy and resurrec-tion for Eritrea" and appealed to the international community for help to rebuild his

Saudi ultimatum to Mecca pilgrims

Saudi Arabia has warned that it will severely punish anyone who passes out political leaflets, books or tapes during this year's pilgrimage to Mecca, Reuter reports from Dubai. More than 700,000 Moslems

from around the world including 100,000 Iranians have flocked to Saudi Arabia for the annual pilgrimage to Islam's

as a region of "victims and los-

ers". For the first time in a

generation, many countries

higher than the expansion of

African country is darling of the World Bank, reports Joel Kibazo

Museveni seeks to lift Uganda's business profile

WHEN President Yoweri Museveni of Uganda opens today's Confederation of British Industry (CBI) conference on investment in his country it will mark a significant step for-ward in the rehabilitation of an economy that all but collapsed in the mid-1980s.

The country bas since become the darling of the World Bank, thanks to its strict adherence to economic reform. In 1993, gross domestic product growth could be as high as 5 per cent. while tight monetary policy has brought inflation down from around 60 per cent last year to just 3 per

"We think growth prospects are very good. The government is committed to the reform programme and it is making progress. In fact I think they are way out in front," said a World Bank official

Although the figures make good reading, the government complains that the austerity programme has left little to spare for raising living stan-dards. As a result, Mr Museveni is having to raise Uganda's husiness profile, after a decade which has seen investment flows to sub-Saharan Africa slow down to a trickle.
"We have to tell the world

that we are naw people in power" he said in an interview. "The atmosphere has changed over the last seven years we have been in power. Ugandans have stopped concentrating on killing each other and are instead ready to work."

Both the civil service and the once large army have been cut substantially, while dependence on the export of raw coffee, which last year earned the country \$102m (£66.2m), has fallen to less than 75 per cent

of total exports.

The country has lifted curbs on the repatriation of profits and instituted a one-stop investment authority to provide information and licences. The privatisation programme has also been stepped up, with many government owned were enjoying growth rates industries now for sale. "I have seen great changes,"

says Mr Gerry Parfitt, partner at conference co-sponsors Coopers and Lybrand. "We think there is a lot of potential." For all the praise, however, a catalogue of problems remains.

A 1992 United Nations Industrial Development Organisa tion (Unido) study highlighted



Museveni: a duty to be done

the cost disadvantages of Uganda's land-locked position, suggesting emphasis should be put on small-scale and resource based industrial development. The government has also

failed to root out corruption, and the incidence of Aids remains a costly challenge. Sporadic fighting in the north of the country and large numbers of refugees from the country's troubled neighbours of Rwanda and Sudan continue to place strains on an overstretched administration.

The president also remains at odds with the donor community over multiparty democracy. "It brought us nothing but chaos," says Mr Museveni We are due to elect a constituent assembly at the end of the year, which will decide our form of government, and we shall have parliamentary and presidential elections. But I remain opposed to a muitiparty system. We can still have democracy, but without par-

He claims he has not decided whether to run for the presidency: "It is no fun trying to balance a budget without resources. It is not a privilege, just a duty which had to be

That said, some investors are declaring their confidence in the new Uganda that Mr Muse veni has created Mr Christo pher Green, a director of Barclays Metals, which is developing cobalt bearing tailings in western Uganda, says: "We have sufficient trust in the changes for us to feel comfortable with investing."

Egypt expects to forge S Africa links soon

By Mark Nicholson in Cairo

EGYPT could move swiftly to establish diplomatic relations with South Africa once Pre-toria names the date for its first all-race alections and establishes its advisory transitional executive council, Egyp-tian Foreign Ministry officials

Mr Pik Botha, South Africa's foreign minister, arrived in Cairo yesterday for a three-day visit during which he will dis-cuss establishing diplomatic links with Mr Amr Moussa, his Egyptian counterpart.
These will be the first bilat-

erai talks between the two countries. The South African minister's arrival in Cairo follows his tour last month to Jordan, Oman and Qatar. It underlines Pretoria's determination to increase trade and investment and develop politi-cal relations in the region.

REACH INTERNATIONAL MARKETS

List your Company name in the prestigious multilingual

EXIM INTERNATIONAL DIRECTORY

OF EXPORTERS/IMPORTERS : 1993-44 EDITION

EXIM International, Inc.

PO Box 2071, Rockville, MD 20847 USA

14 101/961-7799 Fax #(301) 816-0508

Egypt, which formally applies the international embargo against South Africa, has very limited ties with the republic. These amount to the exchange of a handful of tourists and a small amount of informal import and export

But Egyptian officials said that once an election date and transitional executive council - which will advise the South African government before the planned elsctions - were named, Cairo would see no great impediment to diplonatic relations. Parties to constitutional talks in South Africa earlier this month said they hoped to fix an election

date by early next month. The officials did not expect any progress on South Africa's desire to join the Organisation of African Unity, which will

Chinese police fire tear gas at Tibetan protest

By Alexander Nicoli,

CHINESE POLICE yesterday fired rounds of tear gas for two hours to quell protests by sev-eral thousand people in Lhasa, the Tibetan capital.

It was not known whether there were casualties or how many people had been arrested. Westerners were confined to their hotels and police were patrolling the streets in strength last night. A protest by about 800 peo-

ple, apparently against price rises, began peacefully during the morning outside a main government building. The demonstrators initially met no response from police, but were eventually moved on. During the evening, the crowd swelled to between 1,000

nett, director of the London-based Tibet Information Net-work. An influx of Chinese traders into Lhasa has aroused enmity among Tibetans.

Reuters news agency, quoting travellers in Lhasa, said protesters were throwing rocks at the police headquarters and chanted slogans calling for Tibetan independence.
Public demonstrations of Tibetan hostility to Chinese

rule are rare because of tight control by the authorities. The protests came the day after the 42nd anniversary of the surren-der document being signed following China's 1951 invasion. A dozen senior European diplomats are due to produce a report on human rights in Tibet after a week-long visit which ended on Sunday. They

had abandoned plans to hold a

of African Unity, which will and 4,000 and attacked sbops, bold its annual summit in almost certainly those run by Cairo at the end of next month. Chinese, said Mr Robbie Bar. Tibetan dissidents. dinner for their hosts because of contiouing arrests of World Bank plans \$1bn loans to Pretoria

By Lestie Crawford

THE World Bank has \$1 bn (£600m) worth of development projects in the pipeline for South Africa. They will be implemented once a non-racial transitional government is in place, Mr Edward Jaycox, the World Bank's vice-president for Africa, said yesterday. Mr Jaycox, who was on a hrief stopover in London en

route to the World Economic

projects aimed to improve bealth, bousing and education for South Africa's poor blacks. The World Bank stopped lending to South Africa when international sanctions were imposed sgainst Pretoria's apartheid regime. But after two years of talks with both the government and the African National Congress.

Forum in Cape Town, said the South Africa were "excellent". Mr Jaycox stressed that World Bank loans to South Africa would not be on concessional terms, because of the country's relative wealth. The Bank's pledge follows similar promises of economic support for a democratic South Africa by Mr Warren Christopher, the US secretary of state.

The World Bank official was also keen to dispel the widefor renewing relations with spread image of the contineot ments to reform.

their populations. He was confident that tough structural adjustment programmes were beginning to bear fruit, despite an adverse international economic climate and the lukewarm commitment of many African govern-

Mr Jaycox said prospects

FINANCIAL TIMES TUESDAY MAY 25 1993

Die Welt der Zeitungswelt:

Die Hauptstadt. Die Weltstadt.

Über die Kunst, der Welt näher zu sein. Oder: Berlin ist einen Umzug wert. Die Welt. Mehr aus der Hauptstadt, mehr von der Welt. Weil von hier die Impulse ausgehen. Weil eine Hauptstadt eine große überregionale Zeitung braucht. Weil eine große überregionale Zeitung die Hauptstadt braucht. Die Welt. Die Essenz des Tages. Für Leser, deren Zeit kostbar ist.



White House defends energy tax as rift grows

in Washington

THE Clinton administration opened the first of several critical weeks for its deficit reduction package by insisting, in the face of significant opposition in Congress, that it stood by the principle of a broad-based energy

Following President Bill Clinton's weekend broadside against the "big oil lobby", Mr Leon Panetta, the budget director, said in a television interview yesterday morning that the president feit the energy tax was still central to the overall plan.

Senator Daniel Moynihan of New York, chairman of the finance com-mittee, predicted that some form of energy tax would be passed on to the full Secate from his committee, although he conceded amendments to

it could be made. Senators David Boren of Oklahoma and John Breaux of Louisiana, both representing oil states, have qualified their opposition to the tax, based on the energy content of fuels measured in British thermal units (BTUs). However. Mr Boren, the principal sponsor of an alternative plan to put ceilings on social spending and increase taxes on the elderly, said he would still vote against the energy tax as it was now constituted in the committee.

Mr Breaux said he could support a straight petrol tax, but at a rate (eight

cents to the gallon) that would generate less than half the projected \$22bn (£14.2bn) a year revenue of the BTU tax once fully in place.

The Senate machinations have cast a cloud over the more imminent deliberations in the House, which is due to vote on the overall package, including the energy tax, oo Thursday.

The general assumption has been that the hill will pass the House, where the Democrats have a comfort-

'Sometimes, when you see a friend go astray, the best thing is to tell the friend the truth'

able majority, in spite of last week's rehellion hy mostly conservative southern Democrats demanding deeper spending cuts and less reliance on tax revenues. As Mr Moynihan has indicated, the precise mix of the pack-

age may yet be altered. But even Mr Clinton's supporters in the House are concerned that their politically difficult vote on Thursday may be rendered null and void by subsequent amendments in the Sen-

Recalling that the House passed the

economic stimulus package only to see it killed in the Senate, Congressman Craig Washington, a Texas Democrat, questioned whether members "are willing to fall on their swords

Among Democrats, fault lines other than that on the energy tax are becoming increasingly apparent over Mr Clinton's general approach to cut-ting the budget deficit.

Mr Clinton came to office as a self-proclaimed "new kind of Democrat", a believer in individual responsibility rather than the pre-eminence of government's role. But, in the opinion of old allies like Congressman Dave McCurdy of Oklahoma, he has become increasingly captured by the party's "tax and spend" and traditionally liberal forces.

It is the emphasis on oew taxation—a contradiction of Mr Clinton's cam-

paign promise to lower taxes on the middle classes – that most disturbs these centrist Democrats. Senator Boren, for example, has justified his opposition to the energy tax as a way of reminding Mr Clinton to go back to

"Sometimes," he said in a weekend talk show, "when you see a friend go astray, the best thing to do is to tell the friend the truth."

Mr McCurdy described his opposition to the president as "the most painful thing I've ever had to do in Coogress."



David Boren: has qualified his opposition to energy tax

High interest rates attacked in Venezuela

By Joseph Mann in Caracas

Octavio Lepage, Venezuela's caretaker president, indicated yesterday that reducing the country's high domestic interest rates was one of his first priorities.

He said he would meet the board of the central bank in an effort to encourage it to design measures to correct this problem immediately". However, given the indepen-dence of the bank, it was unclear how Mr Lepage would achieve a rate cut.

With annual inflation at more than 30 per cent in the past 12 months, Venezuela has real interest rates of 30 per cent or more for commercial

Having met business leaders at the weekend, the actingpresident also said he would review national economic policy and decide whether changes were needed.

Mr Lepage, a senator in the ruling Democratic Action party, was sworn in as acting president on Friday after Presi-dent Carlos Andrés Pérez was suspended to face a charge of misuse of public funds. The

trial will be before the supreme court, which is expected to take this week the first stene towards a hearing.

Mr Lepage admitted he was not "an economic expert" but said he believed Mr Perez's unpopular free-market reforms ofthe past four years were "correct in strategic terms". However, he rejected what he called "dogmatism and the use of foreign models" in implementing "IMF-style" economic

adjustments. The acting president, although the focus of a controversy over how long he should stay in office, said the situation in Venezuela was "critical, but perfectly manageable". He admitted that the government was "weak" and needed a stronger base through some "national understanding"

among the political parties Congress, caught in the storm over Mr Perez, has not acted on bills aimed at economic and political reform. These include new taxes to help close the fiscal gap, reductions in the national oil companies' tax burden, as well as proposed reforms of the finan-cial system.

UK asked Frei on to press for Haiti democracy

By Canute James in Kingston

BRITAIN will be asked this week to take a more active role in efforts to resolve the political situation in Haiti, and to encourage its Eoropean Community partners to snpport moves to restore democratic government to the Caribbean state.

The request will be put to Mr John Major, UK prime min-ister, by Mr Patrick Manning, his Trinidad and Tobago counterpart and chairman of the Caribbean Community. He will arrive in London today on an official visit.

'We have managed to get the matter to the United Nations, but we do not have a resolution of the Haitian situaneed the attention of the EC and to hring more pressure to bear", so as to resolve the dispute between exiled President Jean-Bertrand Aristide and the military which ousted him.

Mr Manning will also discuss with Mr Major the continuing concerns of Caribbean Community leaders over access of the region's bananas to the EC. He will repeat these concerns when he visits Germany this week. The Germans are unhappy with proposals from the EC farm ministers which would put under quota bananas imported from Latin America, while guaranteeing access for fruit from traditional suppliers in the African,

Caribbean and Pacific Group. The Trinidadian leader will also meet representatives of the British financial services sector and the oil industry, seeking investments in the Caribbean republic. His administration is trying to make the country the business and financial capital of the

Caribbean. Last month, the Trinidadian

course for nomination in Chile

MR Eduardo Frei, leader of Chile's Christian Democrats. looks set to secure the presidential nomination of the country's ruling coalition after primary elections on Sunday, Reuter reports from Santiago.

He had about 60 per cent of the votes of more than 600,000 party members and supporters, with the count more than half complete, electoral officials said. His Socialist rival, Mr Ricardo Lagos, had about 40 per cent, the officials said.

Under the coalition's complex selection procedure, the votes on Sunday were assigned to delegates to cast at a final convention next Sunday. However, the winner last Sunday is sure of victory at the convention, where the coalition will inveil its camb

The winner of the primary, the first in Chile, which returned to democracy in 1990 after 17 years of military rule, will be the strong favourite to be the next president.

Opinion polls before the pri-mary gave Mr Frei, from the same party as President Patricio Aylwin, some 49 per cent of national support, compared to 3.5 per cent for his nearest right-wing rival. The polls also showed support from the ruling coalition's left-wing parties could mean Mr Frei taking more than two-thirds of the presidential vote. From Stockholm: President

Aylwin, on a visit to Sweden, denied yesterday that he had ever endorsed the overthrow of President Salvador Allende in 1973, as maintained by some Chileans who fled to Sweden after the military coup. Mr Aylwin, one of the main

forces in the coalition which succeeded General Augusto Pinochet via a plehiscite in 1988 and elections later, said Chile owed Sweden a deep debt Last month, the Trinidadian government deregulated the local foreign exchange market.

of gratitude for its solidarity during the dictatorship of Gen Pinochet.

Latin American growth 'slower' year and \$42bn next, from

By Stephen Fidler, Latin America Editor

ECONOMIC growth in Latin America outside Brazil will slow this year while the region's current account deficit will continue to widen, according to a new survey of economic and financial forecasts for the region.

The survey, published for the first time this month hy the London-based Consensus Economics, reckons inflation (outside Brazil) will stay on its downward track.

Latin America, again excluding Brazil, will grow by an average 3.4 per cent this year and 3.6 per cent next year, compared with 4.5 per cent last

Including Brazil, which is forecast to grow 2.7 per cent this year following a 1 per cent shrinkage of the economy last year, growth in Latin America will accelerate to 3.1 per cent this year and next, from 2.2 per cent in 1992.

widen to \$41.6bn (£27bn) this

\$37.7bn in 1992. The survey says Mexico's

current account deficit will widen to \$24.7bn this year and \$26.5bn next, from \$22.8bn. Argentina's current account deficit is forecast to come down from \$7.8bn to \$7.7bn this year and \$7.2bn next. Brazil's surplus would shrink from \$4.8bn last year to \$3.1bn this year and \$2.1hn next.

Inflation in Brazil - forecast to rise to 1,631 per cent this year from 1,129 per cent last - is expected to push average inflation for the region higher this year. Excluding Brazil, the trend is downward to an average 18.6 per cent this year and 16.2 per cent next year, from 23.1 per cent in 1992.

The survey, conducted among 60 international and domestic forecasters, will he repeated and published every

Latin American Consensus Forecasts; Consensus Economics The region's current account Inc. 49 Berkeley Square, Londeficit, excluding Brazil, will don WIX 5DB; £325/\$495 annual subscription (six issues).

MR Ron Brown, US commerce secretary, is to clarify the US trade picture by ordering a new quarterly index which will combine private sector services and the merchandise trade bal-

He said in a letter to Mr Harry Freeman, executive director of the MTN Coalition, a US business group, that this would allow the US to move beyond the conventional defi-nition of the trade balance. The department's statisticians were also "assessing the feasibility of producing monthly esti-

mates of trade in goods and services," he added. The new index, which will be introduced in June, will demonstrate the point that services

lobbyists have long been stressing that the US trade deficit is not as bad as it looks. From tha quartarly current account figures a new entry - called private services - will collate exports and imports from the US ser vices sector, bringing in air passenger travel, inbound tourism, professional services, financial services, audio/video rentals, construction and engineering services, education of foreign students, and insurIn 1992 the trade in private services between the US and the rest of the world gave the US a \$59bn (£38.3bn) surplus. If this is subtracted from the \$96bn merchandise deficit, the

trade deficit was \$37bn. Trade in services is an important issue in the US relationship with Japan. In a defence of its trade regime, released last week by the Japanese Ministry of International Trada and Industry, Tokyo claimed its surplus had failed to take into account services, such as transport and travel. The US surplus in the services sector would grow, it added, as Japan was not competitive

Indeed, the US has been making slow gains in the bal-ance of its trade in services with Japan - the surplus rose from \$8.9hn in 1969 to \$13.2hn

This is likely to continue. The US had a \$10bn surplus last year with Japan in travel and passenger fares, one of the biggest growth areas for receipts. As long as Japan remains prosperous and expensive it is unlikely to draw more American tourists than the US

The US ran a \$2.7bn surplus with Japan on "other services"

cations. Most telephone calls and data transmissions are initiated from the US, where the industry is deregulated and its services comparatively cheap.

The fifth largest US services export is education, a sector which includes thousands of students studying at US col-leges and which holds growth

Mr Freeman sees a time when US - and perhaps Canadian - schools will form consortiums to bring foreign students to North America for study in programmes funded by development banks or gov-

> pean Community were being bridged. G7 countries, he said, "must

Cairns Group to press G7 over Gatt

THE Cairns Group of agricultural exporting constries is to hold a meeting next month aimed at pressing for agreement at the Group of Seven's Tokyo summit in July on a framework for completing the Uruguay Round this year, writes Alexander Nicoll, Asia Editor.

Mr Peter Cook, Australian trade minister, said in London yesterday that the meeting in Bangkok on June 26-27 would ensure the interests of the group's 14 members were reflected in Tokyo. He saw encouraging signs that Gatt talks were producing a "decent" market access package and that differences between the US and the Euro-

understand that other countries expect the outcome to be genuinely trade-liberalising, and that it will reflect the legitimate interests of all countries, not just the majors". The importance of agriculture must not be lost in the struggle to resolve differhe added. en the US and EC,

Review makes China a most fazed nation

Beijing waits

anxiously on

Clinton trade

move, writes

Tony Walker

than the Chinese may be pre-

Among the many provisions

of a draft bill before the US Congress are: China should

allow unrestricted emigration

of political and religious pris-

oners; provide an acceptable

accounting for and release of

Chinese citizens detained,

accused or sentenced as a

result of non-violent expres-

sion of their political beliefs;

and cease religious persecution

In Beijing, attitudes within the US business and official

community seem to range from

optimism to a lingering dread

that a distracted Washington may miscalculate. Mr John Hart, president of the Ameri-

can chamber of commerce,

believes that continuing uncer-

tainty over MFN is affecting

trade relations and if it persists

US business is in danger of

problem, as I see it, is the climate of uncertainty. The situa-

tion is much more difficult this

year than last when we knew

what the scenario was going to

V Business Council, a

lobby group representing US

business interests in China,

takes a more sanguine view. "I

don't expect Clinton to be extremely specific (on MFN

conditions). Why would a pres-

ident want to reduce his flexi-

bility over a decision be is not

The US-China Business Council has been at the fore-front of lobbying efforts with

obliged to make for a year.'

that trade with China has

helped create 150,000 additional jobs in the US; and that the

Chinese market with its insa-

tiable demand for passenger

aircraft is vital to the bealth of the American aerospace indus-

growth by Mr Clinton.

- an industry targeted for

This is not just American

companies salivating over the

China market," Mr Frisbie said. "The business presence

bere in all its forms has been the single most pervasive force

for change in the past decade.

To take that away would be

counter-productive to the goals

of those in Congress seeking to

According to US figures, Chi-

nesa imports are \$25.7bn (£16.6bn) and the US market

accounts for 25 per cent of Chi-

na's global exports. Removal of MFN preferences may cause a drop of as much as 10 per cent

change China.'

r John Frisbie, director of the US-China

"We think it's a fairly high risk game they're playing," Mr Hart observed. "The biggest

being disadvantaged.

in China and Tibet.

pared to live with.

BELJING will be monitor-ing signals from Wash-ington this week with more than usually obsessive interest, A decision on its Most Favoured Nation (MFN) trading status is due by June 3. Also in the melting pot is the likely course of the broader Sino-US relationship during

the Clinton administration. Chinese officials make no secret of their concerns that a narrow focus on issues sur rounding renewal of China's MFN status - the principle of according equal conditions to all trade partners - at the expense of wider interests will deflect US policy makers from recognising what is at stake.

"We want to see more nutual confidence, less trouble, closer co-operation and no confrontation between us." Mr Jiang Zemin, China's party boss, said at the weekend.

Chinese officials have also been talking worriedly about what they perceive as a lack of direction in President Bill Clinton's foreign policy on such es as Bosnia and international trade. They fear that China policy may also be prey to such a muddling approach, and differences on issues such as human rights and weapons transfers will prove more difficult to contain.

In the meantime, China has made some limited gestures to appease its buman rights critics in the US, such as releasing several relatively high-profile dissidents from jail early, which Americans cynically refer to as the annual MFN releases, and hinting at a willingness to do more without being specific. The process has taken on the aspect of a fairly

unedifying shell game. China has also sought to address concerns about weapons transfers, assuring Mr Shimon Peres, the visiting Israeli foreign minister, that it was not selling missiles to either Iran or Syria. No mention was made of Pakistan, a recent recipient of Chinese missile technology and a country thought to have close defence links with Tehran.

Beijing would be well aware that the US administration bas not completed its review of ton in his decision next week. He is universally expected to renew MFN for 1993-94, but what is at issue is whether he will at the same time announce conditions on renewal for the next year. If he does so, traderelated investment is likely to

be affected immediately. If the Chinese were seeking clues to US thinking they might consider testimony given to the Senate foreign relations committee on March 31 by Mr Winston Lord, assistant secretary of state for East Asian affairs. "Our policy challenge," Mr Lord told senators, "is to reconcile our need to deal with this important nation with our imperative to promote international values. Wa will seek co-operation with China on a range of issues. But Americans cannot forget Tiananmen Scuare.'

It is stark observations such as this that make the US-China business community nervous raising as they do the spectre of tougher and more specific

Previous articles on Chino's MFN status appeared on May 20 and May 22/23

in China's export earnings.

Exports were worth \$7.5ber in \$52, up 10% from the pr This trade created about 150,000 jobs

The largest suppliers were the st

& US companies have directly invested in more than 2,000 projects in

The contract value of these exceeds \$6bn 9, The US is the third largest foreign investor in China, behind Hong Kong and Talwan, and just sheed of Japan

1992 investments lockuded: General Motors: \$100m pickup truck joint venture Gillette: \$50m razor and blade joint yesture Motorole: \$120m wholly owned electronic and communications

PPG inclustries: \$120m glass joint venture Praxair: \$46m industrial gas joint venture uros: US-China Business Council, Chinese Ministry of Foreig protric Relations and Trade

Hotels in Americas see better prospects

By Michael Skapinker, Leisure Industries Correspondent

HOTELIERS in the Americas are gaining confidence, but Europeans and Asians say prospects are gloomy, according to a survey by leisure consul-

tants Horwath International. It found that 54 per cent of North American hoteliers were more optimistic than they were six months ago, with only S per cent saying they were less optimistic. In Latin America, 70 per

cent were more optimistic and none fell - from 33 per cent to 15 per cent.

In Europe, only 20 per cent said they were more optimistic than six months ago, with 38 per cent saying they were more pessimistic. This was an improvement, however, over six months ago, when 10 per cent were optimistic and 48 per cent pessimistic.

In the Asia-Pacific region, the optimistic proportion shrank to 33 per cent from 36 per cent six months ago. However, the pessimistic proportion also

With the exception of North America, boteliers worldwide said they had reduced their workforces and would continue to do so. In Europe, 68 per cent of hotels said they had reduced employee numbers over the past six months and 39 per cent said they would do so over the next six. Only 2 per cent said they had increased staffing levels over the past six months and only 13 per cent said they would do so over the

next six months.

had reduced workforces and nearly half intended to do so in the next six months. Even in Latin America, half the hoteliers said they had fewer workers than they had six months ago and 20 per cent said this trend would continue in the next six months

Only in North America were staff numbers expected to rise, and then only slightly. Staff increases were planned by 24 per cent, with 23 per cent plan-ning reductions in the next six months.

The Halifax is used to challenging circumstances and during 1992 our priorities were to maintain financial strength and security

to help our customers through the worst of the recession.

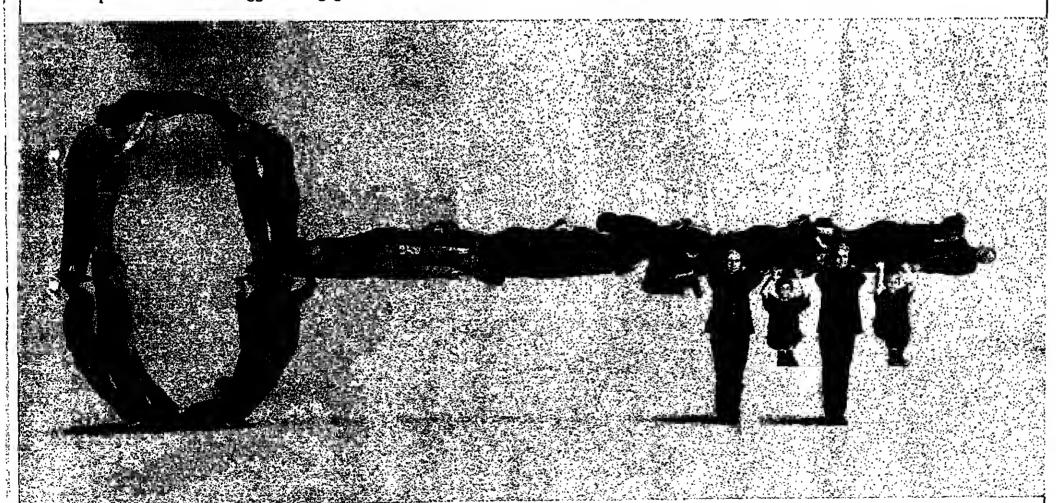
At the Society's Annual General Meeting on 24th May, Chairman Jon Foulds was able to report that these goals were achieved in some style. After provisions, pre-tax profits rose 8% to £680 million and running costs were reduced for the fifth year in succession, down from 43.6% to 40%....

In a depressed market, we were still able to lend £8.3 billion to 178,000 borrowers (including 77,000 first time buyers) and maintain our position as Britain's biggest mortgage lender.

interest income to supplement their pensions, we concentrated on trying to pay loyal investors the best rates we could. And, in fact, not all base rate reductions were matched with savers rate cuts.

Our concern for the special needs of first time buyers ensured that the cost of borrowing in this sector fell dramatically in 1992.

Meanwhile, the commitment we made to meet customer needs led to the introduction of new investment opportunities, particularly with Guaranteed Reserve and Premium Xtra, and a positive response to the demand for fixed rate mortgages. Further success came with our unit trust venture in conjunction with Standard Life, where funds



Assets grew by 7% to £62.8 billion and retail investment balances increased by £2.9 billion to £50.4 billion.

With 600,000 customer transactions at Halifax branches and agencies every day, the Society's policies remain shaped by our focus on customer care.

For borrowers facing difficulty, we were able to commit major resources into counselling programmes, helping them to manage their debt and income problems. And, compared with the previous year, the number of properties taken into possession in 1992 was halved.

Where falling interest rates had a harsh impact on those using

The strength of the Halifax continues to grow, reinforced by the decision by a leading rating agency to confirm its international long-term credit rating at Aal, making it the highest-rated bank or building society in the country. As well as being Britain's biggest mortgage lender, we continue to hold more people's savings than anybody else, including the National Savings movement.

In fact, 13 million customers make the Halifax their first choice for savings and home buying.

If you'd like a little extra help in the future, you don't need to look any further than your local branch of the Halifax.

Get a little extra help. HALIFAX BUILDING SOCIETY, TRINITY ROAD, HALIFAX, WEST YORKSHIRE HX1 2RG.

Non-EC visible trade gap continues to narrow

By James Blitz, Economics Staff

BRITAIN'S visible trade deficit with countries outside the European Community narrowed again last month, amid fresh signs that the devaluatioo of sterling has given a sharp boost to UK exports.

In April, the value of imports from countries outside the EC exceeded the value of exports by £831m. The overall deficit,

By Deborah Hargreaves in

London and Karen Fossli in

MR TIM EGGAR, energy

minister, is expected to

announce in the House of Com-mons today the publication of

a prospectus for the £300m gas pipe project between the UK

have been involved in an ini-

tial feasibility study which

could involve the export of UK

details of the so-called Euro-

pipe venture in an effort to

gauge the amount of interest

amoog energy companies for

A steering committee of

seven companies involved in

the initial technical studies are

considering a plan to huild a

pipeline between Bacton, on

the west coast of England, and

Zeebrugge in Belgium, with

export capacity of 15bn cubic

metres a year, or a third of

Some companies, however,

current L'K output.

Mr Eggar should set out

gas to continental Europe.

the private-sector project.

and the continent.

Government to

unveil plans for

in March, underlining a trend the same period. which has seen the trade gap Yesterday's narrowing.

The better news on the trade balance was underlined by a sharp growth in export volumes in the last three months. The Central Statistical Office (CSO) reported yesterday that

total UK export volumes excluding oil and erratic items - had grown by 61/2 per cent compared to the previous 3 months. By contrast, imports however, was £100m less than rose by only 2 per cent over Yesterday's figures were

seen as a further indication that the devaluation of sterling is helping to promote economic recovery by boosting Britain's share of export markets

The CSO's figures indicated that the prices of exported goods have returned to the levels that they had been at when the year began. This implies that exporters have not used the devaluation of the currency to the very low levels

een in the spring as an opportunity to mark up prices. The CSO's figures also indi-

cate that UK exporters are winning a greater share of markets outside Europe, whose economies are continuing to fall into recession.

For the first time since May 1992, the UK registered a trade surplus with North America in April. UK traders registered a seasonally adjusted surplus of £85m compared with a deficit of £43m in March.

The UK is also increasing the volume of its exports to developing economies, in a trend which has continued unbroken since November of last year.

And the trade balance with the non-EC part of Europe also improved from a defeicit of 1685m in March to one of £603m in April. This was the result of a steep decline in imports, bowever, which accompanied a fall in exports

from £789m to £759m. Mr Kevin Gardiner, an econ-

figures underlined that the UK's Gross Domestic Product would show an increase in the second quarter of this year.

"The UK is winning market share even though econoimies in the rest of Europe are slowing down," he said.

Since the beginning of the year, the CSO has not provided data for UK trade with European Community countries because a new system is being introduced.

Britain in brief



N Ireland airport to be sold

The government confirmed it would sell Northern Ireland's largest airport, Belfast's Aldergrove.

A six week consultation period will be followed by legislation in autumn. The government's advisers hope the sale will take place in the summer of 1994 and will fetch

between £25m and £40m.
The sale will probably to a single boyer or a consortium rather than by flotation on the Stock Exchange, which would cost too much in relation to the likely proceeds.

Aldergrove, also called Belfast International, is owned by Northern Ireland Airports, and last year handled about 2.17m passengers, making it the seventh largest in the UK.

It made a pre-tax profit of

£2.14m on turnover of £21m and last month amounced the start of scheduled services to New York

Possible bidders includa Canadian transport group Bombardier, which owns both Short Brothers, the aircraft manufacturer, and the Belfast City airport.

• Mr Jonathan Aitken. defence procurement minister, announced completion of plans to dispose of Farnborough airfield, west of London. The biennial air show would continne hat tour operators, recreation and training flights would not be allowed.

UK cinemas in comeback

The cinema is making a strong comeback in the UK with attendances higher last year than in any year since 1980, according to a survey of the latest cultural trends in the

More than 60 per cent of the population aged 7 and older go to the cinema, and more than 30 per cent of the 15-24 age group do so once a month or more. The estimated total audience last year was 101m; according to the independent policy Studies Institute.

level since the stock market crash of 1987, according to fig-ures released by the Association of Unit Trusts and Investment Funds.

Gross sales in April were £1,592.9m, while repurchases from investors were £637.8m.

£955.1m. Funds under manage ment were pushed to a record level of £71.77bn.

Maj calm

The reductions in interest rates seen since Britain left the Exchange Rate Mechanism have undoubtedly helped the unit trust industry, as returns on equity products now closely match those available from building societies.

Income from a unit trust personal equity plan is also

free of tax. Figures published last week, however, showed that building societies also bad a good month in April, with a net inflow of £1.07bn. The evidence seems to indi-

cate that Britons are saving more, perhaps because of cuts in mortgage rates. Among the unit trust sectors, the higgest sales were achieved by UK equity income and UK growth funds.

Science plan for industry

The Science and Engineering Research Council launched an Innovative Manufacturing Initiative, to tailor its research projects more closely to industry's needs.

An industry-led panel chaired by Mr Stewart Miller. engineering and technology director of Rolls-Royce, will work over the next six mouths to define the nature and scope of the programme.

Swiss Re seeks reduced cover

UK insurers could come under pressure to reduce cover for storm damage to homes, a con-ference on global warming and catastrophic weather losses was told.

Mr Jeremy Hindle, a senior underwriter with Swiss Re, the world's second largest reinsurance company, said that the excess (the amount a policyholder pays of any claim) on household buildings policies "must be raised to £250 immediately, with a move to £1.000 being the target."

Swiss Re is one of a number of reinsurers providing cover to UK insurers. Househo currently pay a compulsory excess of £50, although some insurers offer discounts on premiums for customers who choose to take a higher excess.

 $\pi \in \mathcal{I}_{\mathcal{I}}$

∷ ·

Chinese food outlets group

The Chinese Takeaway Association was launched to represent the UK's 10,000 outlets. ns 10 award star ratings to takeaways in a hid to encourage higher stan-

dards Mr Dehmis Chow, an environmental health consultant who is one of the directors, said: "Chinese takeaways are usu-ally small family businesses and so far there has been no one to speak for them. We shall be visiting them over the next six months and giving

KG

Generators may face monopoly Europipe scheme inquiry

By Michael Smith

terday it had not yet decided whether to participate in the interconnector project. Mr Eggar is understood to have told the companies involved that the UK government is ready to negotiate a treaty with the Belgian authorities about the proposed Euro-pipe linking up with the Bel-

A group of companies includ-ing British Gas, British Petrogian national grid. The government is keen for the project to go ahead and is leum and Norway's Statoil linking the success of the ven-ture with a decision to allow additional supplies of Norwegian gas to the UK. But there has been some scepticism about the viability of the project because it is unlikely the

gas could compete with low-cost supplies from Russia. Other companies involved in the plan include Norsk Hydro, the Norwegian resources group, Elf Aquitaine France's energy group, Conoco UK and

Distrigaz of Belgium. The UK government is linking the Europipe project to ratification of a deal between electricity generator, National Power, and Statoil to import Nkr20bn gas supplies over the

are not sure of the viability of

LEGAL NOTICES

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

OLYMPIA & YORK WATER STREET FINANCE CORP., and DAY WATER STREET CREDIT CORP., Uchors.

Chapter 11 Case No. 93 B 42409 (JLG) (Jointly Administers

NOTICE OF HEARING TO CONSIDER

IN APPRIMAL OF DESTORS DISCLOSURE STATEMENT

AND PROPOSED SOLICITATION PROCEDURES,
INISETTING THE DATE FOR VOTING ON THE JOINT PLAN OF
REORGANIZATION FOR THE DESTORS AND

(BILLING THE DATE THE AND PLACE TO CONSIDER
CONFIRMATION OF SUCH PLAN

Constitution of the Consti

14) WELL COTSHAL & MANGES
ALPETER for the Debtors in Pennamon 17/17 Feb.
New York, New York 10153
Artin Corrisons Ball, Esq.

(2) ANDERSON KILL OLICI, & OSHINSKY, P.C.
Aboveryer for the Sacering Commissee
666 Therit Avenue
New York, New York 1007
And Drancen N. Darrow, Esq.

(3) WARET MADCUS & FINE, P.C.
Astoromys for the Sacering Commissee
(5) Waret Mange for the Indensity of Sacrad Spread, Seq.
(4) OFFICE OF THE UNITED STATES TRUSTEE
(6) Branch Spread, New York 10094
Attr. Arthur Gommies, Esq.

I NLESS AN OBJECTION IS TIMELY SERVED AND FILED IN ACCORDANCE WITH THIS NOTICE. SUCH OBJECTION WILL NOT BE CONSIDERED BY THE BANKEUPTCY COURT. Dated New Lork New Lork

BI ORIGINAL OF STIKE ON RI N James L. Garrets, Jr. United States Banka upter Judge

WELL GOTSHAL & MANGES Anormers for the Debtors and Del 767 Fifth Avenue New York, New York 18153 (812) 318-8880

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

In re
II LYMPIA & YORK WATER STREET
FINANCE CORP., and
ORY WATER STREET CREDIT CORP.,
Debtors. Chapter I I Case No. 93 B 42409 (JLG)

NOTICE OF ENTRY OF BAR DATE TIRDER FIXING LAST DAY TO FILE PROOFS OF CLAIM AGAINST DEETORS

IT ALL PERS DAY TO FILE PROOFS OF CLAIM ACAINST DEBTORS

IT ALL PERS DAY TO FILE HOST DITLE LAWS, ILL HINST THE DEBTIES.

FI EAST, I WE NOTIFE that the I meet bases Rankingura Court for the Southern finited of New York other Hankingura Court for the Southern finited of New York other Hankingura Court for the Southern finited of New York other Hankingura Court for the Southern finited in the Southern finited in the Southern for the Southern finited in the Southern for the Southe

seemally received by the Flexis and or before the Bar Line.

A post hereon the terms "have" means (a) right to payment, whether or can such right a reclused to payment, shared-red, disposed, undequated, legal, operators, shared-red, simulationed, disposed, undequated, legal, operators, a right to an operation of performance if such because the payment of the payment of the payment, and red in payment of the payment of the

and person or cutter where claim is based unlify upon the amount of principal and ancress of the Notes defined below it bolch against the lower (defined below), and 1) Polders of channe, if any, allowed by an order of the Poularipper 1 our entered on at before the Bot Line.
19 J. S.F. I. Sch. F.I. R. HIBER, NATIVE F. FLAX the chains in respect of the principal and attraction record resident was a first in the ACM - secured notes and the area compares we stired stores (reflectively, the "Note") record of notice at X-to k Blace view from a Corp. (Faster") pairs and to an indenture dated May 22. (19th have at responsible of the black black and the Scheduler.

been respectively edigibled on the Strebules.

OLANS, LAM, IT RTHER SCHELE, THAT ALL PRISONS AND ENTITIES OTHER THAN THE STAN BASE PRISON PRISON PRID IN PRISORDER. PRISON PRID IN PRISORDER STAN GOVERNMENT OF THE ADMINISTRATION OF THE BLOOK HIS STAN GOVERNMENT OF THE ADMINISTRATION OF THE BLOOK HIS STAN GOVERNMENT IN LINE IN F. C. F. RELAN GOVERNMENT FOR THE ADMINISTRATION OF THE BLOTTLE STAN ALL SAME OF THE LITTLE STAN FOR THE PRINTING FOR THE PRINTING FOR THE BLOOK WINDOW PRINTING FOR THE CONTACT PRINTING FOR THE BLOOK WINDOW PRINTING FOR

If CLAM

PLANT I MALE REFILE SECTION FLOAT Acts or omnomine, if any, of any Debug that occurred prior
Personal Bate, including any Debugs gravations or undertakings, user give rise to chains organic such
tion prior illustration in the Let Bat such is learners for the miningster or may fire bette inspired, material as ones frost or foundated prior to such take. Therefore, any credition between a batter of potential chain one, for the abundance of the control of the potential chain of potential Chain.

In a Debug is instituted between control of control of the proof of chain on before the Bar Ray. 13 E.S. I. V.I. II R III E.R. SO (10.1. III.V.) copies of the Delinard Schechales of Americanal Liabilities are analysis for inspection between 9.25 a.m. and 1 fell pens at it the Officer of the Clerk of the United States Linking per Court for the Sunitive in Israe of the State, Meximilar Hamilton Control House, See Lord. New York Hamilton 100 days in Hamilton Control House, See Lord. New York Hamilton 100 days of West, Gordan & Manages, Monraecton the Debtors. To Fifth University New York 100 days.

It the event was their operators consisting the completion, ideas, amount, choldresses, representing a consistent of allows, or our need in Official Joseph Nat. He proof of their year may telephone the Below-round of a 1212 THOMBER between the boarre of DOM miles to \$200 pear, December Sandord Times for B) ORDEROFTIH (44 R)

Dated New Lord New Lord May 12 (1985)

THE HONORAM FLAMES I, GARRIY, IR I STEDISTATES BANKRUPH V JURGE

THE TWO main electricity generators in England and Wales were warned by the industry regulator yesterday

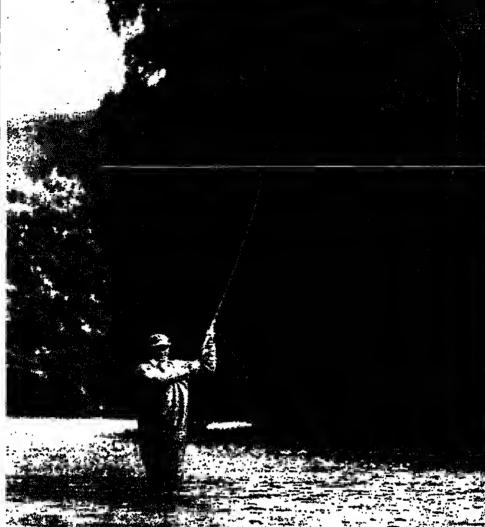
that they could face a monopolies referral if they failed to explain adequately why their prices have risen since March. Professor Stephen Littlechild, director general of the Office of Electricity Regulation (Offer), who is also investiga-ting the generators' costs and

margins, has said he will decide on a referral to the Monopolies and Mergers Commission by 1995. Speaking as Offer published its annual report, Prof Littlechild said improvements in the industry since privatisation included a sharp reduction in domestic disconnections -

down 62 per cent in Great

Britain between 1991 and 1992 and the growth of electricity supply competition. The main area of difficulty was the market power of National Power and PowerGen, the two main generators, be said, even though competition was increasing through the expansion of independent

power plants. The generators had so far failed to respond to an Offer request for an explanation why prices in the electricity wholesale pool had risen in April and May, he added. The pool is the mechanism by which electricity is traded in the UK.



BRITAIN'S anglers fear they may be faced with a fourfold increase in the price of the annual salmon and sea trout rod licence as the National Rivers Authority tries to find new

sources of revenue, writes David Hellier. The NRA is looking at ways of raising income to meet the £24m cost of fresh-water fisheries in England and Wales. The current annual Lex. Page 18 salmou and sea trout rod licence is £13.25.

The NRA has said that all reports are "speculative" but privately NRA officials point out that salmon licences in the 10 regions which formerly sold their own licences used to be far higher than the current national charge.

In Scotland, pictored, charges are set by local fishing authorities and vary widely. The seven River Purification Boards do not, like the NRA,

Academics criticise technology teaching

THE QUALITY of technology teaching in England and Wales compares poorly to courses available in Germany, the Netherlands and Switzerland, according to the National Institute for Economic and Social Research (NIESR).

The national curriculum the standard course used in most schools - presented great difficulties in teaching"

WE'RE

READ

AND

RELIED

ON

FROM

RIYADH

TO RIO

The Financial Times is a regular part of the working

day in over 160 countries

around the world. So wherever your business takes you, rely on the

FT to stay in touch.

Any problems call the FT

Copyline nn 49 69 15685150.

FINANCIALTIMES

demic children "disadvantaged and de-motivated", the research group claimed.

In a research article for the NIESR, academics Ms Helvia Bierhoff and Mr Sigmund Prais criticise technology teaching in the last two years of compulsory schooling for being too intellectual, and requiring pnpils to work in a broad range of materials. The authors prefer the conti-

ing on practical subjects. They say this approach is more successful in preparing average and below-average ability children for later specialised voca-

tional training.
They found that continental schools allowed a third (or more) of their pupils between the ages of 14 and 16 to do systematic courses in specialised disciplines, such as woodwork, metalwork and tex-

believed pupils taught this way were more motivated.

New proposals for the national curriculum published at the end of 1992 would encourage higher quality work by allowing greater specialisa-tion and more practical work, according to the report, but it suggests that schools are not equipped with the specialised workshops and teachers

Record sales of Unit Trusts

Net sales of unit trusts in April reached their highest

The net sales figure was thus

help where it is needed." needed.

Italy to be called Studio Avv. Eugenio Grippo

Simmons & Simmons

SIMMONS & SIMMONS

cleased to announce the creation of a joint legal practice in

as & Simmons and Studio Avv. Engenio Grippo are

Via Dei Boschetti 1 20121 Milan Tel: 39.2.76003012 Fax: 39.2.782770

Piazza Sailustio 9 00187 Rome Tel: 39.6.4870920 Fax: 39.6.4828562

For further information please contact: Eugenio Grippo or Julian Berger in Milan

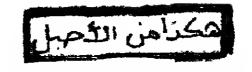
Alasdair Neil, Paul de Chazal, Edwin Godfrey or Richard Slater in London on 071 628 2020

LONDON PARIS BRUSSELS LISBON HONG KONG NEW YORK

FINANCIAL TIMES FINANCE EAST EUROPEAN

FINANCE EAST EUROPE reports twice-monthly on investment, finance and banking in the emerging market economies of Central and Eastern Europe and the European republics of the former Soviet Union.

To receive a FREE sample copy contact: Clare Bornett,
Marketing Department,
Financial Times Newsletters, 126 Jermyn Street, London SW1Y 4UJ, England,
Tel: (+44 71) 411 4414 Fax: (+44 71) 411 4415



through their lives to provide

for themselves rather than

in the husiness of doing is

sweeping away necessary

spending. But we can't let the

[public spending] total grow

faster than the economy can

support".
Clearly stung by the political

uproar in recent days over the spending review be added: "We are emphatically not targetting

special reductions on the poor-

est and most vulnerable mem-

bers of society. We have a

responsibility to the poorest

and most vulnerable members

Mr Major, facing criticism

for his stewardship of the pub-lic finances, denied that the

buge rise in the public sector

borrowing requirement to £1bn a week was a result of his gov-

ernment's failure. He said: "It

is a combination of two things

I think. One is the collapse in

income [from tax revenues],

and secondly predominantly

the acceleration in expenditure

that invariablely occurs during

a recession if you are to pro-

tect the people who are hurt by a recession...So I emphatically

reject the idea that some wild

spending spree created the def-

A fuller account of the John

Major interview will appear in

tomorrow's FT. In it, the prime

minister sets out his agenda

for change in the European

Sharp retail price rises forecast

tion - the retail prices index

excluding mortgage interest

payments - will be just over

the top of the government's

Inflation will be forced

The institute's expectations

upwards by a 10 per cent rise

in import prices over the year,

for growth are unchanged

since the last forecast in Feb-

target range of 1-4 per cent.

and we will meet that.

He added: "What we are not

depend upon the state".

MR JOHN Major, the UK prime minister, last night sought to caim the political storm over the Treasury's scrutiny of state benefits with an assurance that its conclusions would respect "the spirit as well as the letter" of his election manifesto.

In a wide-ranging interview with the Financial Times during which he rejected attacks on his leadership style and left open the possibility of a cabinet reshuffle, the prime minis-ter defended the spending review as essential to allow the government to "save where we can, to spend where we must".

Speaking last night in 10 Downing Street, Mr Major also hinted that the looming summer cabinet battle over next year's public spending round could prompt the government to renew its formal pay rise ceiling for public sector workers. Extension of the 1.5 per cent ceiling is opposed by the

But he insisted that the government's decision to examine the principal of universal welfare benefits was not designed to restrict payments to those on state income support.

Acknowleding the concern of people - particularly the elderly - whose income keeps them above the social security net: "We do have a particular concern for people on modest incomes who have worked

By Emma Tucker,

Economics Correspondent

RETAIL prices are likely to

rise sharply by the end of the

year as inflation pushes

through the upper limit of the

government's target range, the

National Institute of Economic

and Social Research said ves-

In its latest quarterly review of

the UK economy, the institute

'suppressed'

By Jimmy Burns and David Owen

SIR Patrick Mayhew, the former attorney-general, tried to prevent evidence about the Iraqi supergun affair coming to court, a former vice-chairman of the Conservative Party

said yesterday. Sir Hal Miller, a former MP. told the Scott inquiry into the arms-for-Iraq affair that Sir Patrick had tried to dissuade him from giving evidence in support of a husinessman accused of illegally exporting parts for the gun.

He said be had approached Sir Patrick soon after Mr Peter Mitchell, the managing director of West Midlands company Walter Somers, bad been charged with export offences

linked to the gun. Sir Hal had been prepared to produce records of conversations with an intelligence officer and officials of govern-

He said he had met Sir Patrick, who is now Northern Ireland secretary, in the House of Commons lobby. "I was seriously concerned about these people [Walter Somers]. They had done nothing wrong and were going to jail."

Whe be said be would defend Mr Mitchell in court if necessary, Sir Hal said Sir Patrick had said "You wouldn't do that would you?" He had replied: 'Just watch me."

Charges against Mr Mitchell were withdrawn after customs officers were advised by government law officers that they had less than a 50 per cent chance of securing a convic-

predicts that underlying inflaruary. It expects the British economy to grow by 2 per cent this year, and by 2.8 per cent next year,

It suggests that the trade deficit is widening at the moment and "may well be over 3 per cent of GDP for the year as a whole". Growth next year will be fuelled by strong investment and consumption as the main effect of recent interest rate cuts feeds through.

Major tries to Evidence on ECGD condemned over £41m oil rigs loss

By David Dodwell, World Trade Editor

BRITAIN'S Export Credits Guarantee Department (ECGD)
was yesterday condemned by the parliamentary public accounts committee for mak-ing losses, wrong judgments, failure to observe Treasury rules, failure to report fraud, and failure to keep records.

Criticism arose during interrogation over a bad debt, disclosed in the ECGD's most recent report and accounts, involving a Mexican oil rig operator, in which the ECGD has lost £41.4m, and become

Mr Brian Willott, head of the ECGD since January 1992, conceded yesterday that the case was a "built in disaster". Admitting to the "very large number of serious manage-The case turned sour almost ment failures" listed by Mr immediately after delivery in Rohert Sheldon, chairman of the public accounts committee, Mr Willott insisted that the

lessons of this case are branded rather deep in the collective conscience of the ECGD," he said.
The case dated back to 1980.

ECGD had taken steps to tighten both its claims, and

underwriting procedures: "The

totalling \$53.5m for the Mexi-can company Perforaciones Maritimas del Golfo (Permago) to buy two oil rigs being built hy the Marathon yards in Scot-

1982, when drilling contracts for the rigs in Mexico were cancelled, and the company defaulted on loan repayments. Over the next ten years, the ECGD opted to refinance the company, rather than press for sale of the rigs; discovered two frauds linked with Permago, which it chose not to report to the government's Fraud investigation Branch; failed to keep case; and provided overdraft facilities in contravention of Treasury rules.

de the refinancing decision without seeking advice on prospective oil price move-- critical to the likely profitability of the rigs. It failed to have departmental lawyers present in negotiations with Permago.

Mr Willott did not even pay "serious attention" to the case until July 1992, six months after assuming office, he told the committee.

In February this year, the ECGD repossessed the rigs, but

rising from \$500,000 to \$5m. It is now trying to sell the rigs. and hopes to recoup between £12-20m - leaving taxpayers to carry a net loss of between £20

Mr Willott admitted that for most of the period concerned, the ECGD had failed to consult with other government departments, since "It tended to regard itself as having the sole expertise in this area. We are now less reluctant to consult others." He conceded that no one in the department had been punished for the mistakes, but said that all con-

Mayhew says IRA will not win
 Protestant backlash feared

Cost of bomb damage put at £22m

By Tim Coone in Dublin

THE four terrorist bombs detonated in Northern Ireland since last Thursday will cost the UK government an estimated £22m in compensation, according to estimates released yesterday by the Nortbern Ireland Office.

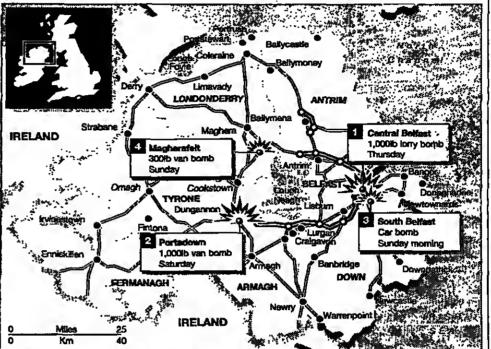
The recent bombing campaign escalated last Thursday when a 1,000lb bomb exploded in central Belafast, causing damage put at \$6.5m to surrounding buildings including be the headquarters of the Ulster Unionist Party.

Another 1,000lb bomb caused 28m of damage on Saturday when it exploded at a shopping centre in Portadown, County Armagh. The next day a 300lb bomb caused £2.5m in damage to the Drumkeen botel in Belfast, and was followed in the evening by another 1,000lb bomb in Magherafelt, a town near Derry, causing £5m in

Speaking in Derry yesterday, Sir Patrick Maybew, Northern Ireland Secretary, said: "We have been through a hard period of four days. There may be more to come, I cannot guarantee that there will not. I can guarantee is that the IRA [Irisb Republican Army] are not going to succeed."

The new IRA bombing cam-paign has met with predictable calls from unionist leaders for a return of internment of IRA suspects.

Four days in the Uister troubles



Mr Sammy Wilson, a spokesman for the Democratic Unionist Party warned at the weekend that "many sincere young men" from the Protestant community will take the law into their own hands if the security forces do not crack down on

officers in the province yesterday, is unlikely to be rushed into precipitate action. When internment was first used in the 1970s it provoked a violent backlash from the nationalist community and was con-demned by the Dublin govern-

Mr Mayhew, who conferred with senior police and army Dick Spring, the Irish foreign

minister, meet in Dublin in the latest of the series of Anglo-Irish conference meetings, at which security officials from both sides will be present.

The main item on the agenda will be how to get the prov-ince's political parties back around the negotiating table to discuss a new political framework for Northern Ireland.

Government aims to head off BR revolt

By Ralph Atkins and Richard Tomkins

MINISTERS were last night confident of heading off a parliamentary revolt over British Rail privatisation as they neared agreement with rebel Tory MPs over protection for concessionary fare schemes.

A compromise plan, that may require rail franchise operators to provide discount fares for the elderly, families and young people, is likely to be announced by Mr John Mac-Gregor, transport secretary, when the Commons resumes debate on the Railways Bill today.

Mr MacGregor, whose concillatory approach appeared to have calmed many of the potential rebels' concerns, held a series of individual meetings with MPs yesterday and will bold more today.

Yesterday the transport secretary also announced that BR's passenger services would be divided into 25 geographically based business units which would ultimately be taken over by private sector

Mr MacGregor predicted that the first franchises would be handed over to the private sector in the second half of next

He confirmed that overseas railways such as SNCF, the French national railway, would not be precluded from bidding.

"My research makes the roads safer for millions of European drivers.



And a few very special passengers."

As ITT Teves, part of ITT Automotive, people like Norbert Ehmer are driven to pioneer important safety innovations like anti-lock brakes and traction control systems

We also design and manufacture advanced products like ITT Koni* shock absorbers and ITT SWF* Auto-Electric windshield wiper

ITT Automotive is one of eight diverse businesses that make up today's ITT Corporation. This, along with our investment in Alcatel Alsthom, makes us a multinational, US \$206 billion enterprise employing 110,000 people around the world. In fact, one out of three ITT employees lives and works lu Europe. And whether it's ITT Defense and Electronics, ITT Financial, or ITT insurance, these companies and all of our businesses share a common goal: To improve the quality of life. Because helping people

us on: 322 643 1449. Or write to ITT Europe, Ave Louise, 480 B-1050, Brussels. Belglum

ITT WORLD DIRECTORIES

ITT INSURANCE ITT FINANCIAL

ITT FLUID TECHNOLOCY

ITT SHERATON ITT RAYONIER ITT DEFENSE AND ELECTRONICS

through the lower explosion limits

of coating powders and methods of

testing cereals, to the fungal resis-

tance of wood panels. In addition,

there are about 2,500 European

Despite these impressive numbers there is no slackening of demand

both for new standards and the

updating of old ones. "There is

always more demand than we can

meet, and the single market and

new technologies mean it will go on increasing," says Michael Sander-son, BSI chief executive. Requests

for standards come from govern-

ment departments - the Treasury

has put in a request for a credit

management standard - from indi-

vidual companies and from trade

committee made up, where appro-

priate, of manufacturers, purchas-

ers. local authorities, government

departments, trade associations and

consumers. Representatives give

their time free and do not claim

hen a request comes

in, BSI's standards-

making division puts

together a drafting

standards, though many overlap.

Standard bearers

reating standards for industry is the essential but humdrum task of an army of committees. Now, bowever, a rumbling controversy about one particular UK standard, BS 5750, regulating quality assurance systems, has focused attention on the standards and the organisations which write and police

10

Small firms have complained that BS5750 is unduly hureaucratic and is being foisted on them by their large customers. Others say the standard has been widely misunderstood as guaranteeing product or service quality, whereas it really only guarantees consistency in the way systems are operated.

At the same time, the establishment of the single European market and the prospect of the enlargement of the European Community have increased pressure on the committee draughtsmen to produce a pan-European library of standards so that products and services can cross borders more easily.

This spotlight on the traditionally low-key world of standard-writing has revealed the intensely commercial nature of the standards industry. Creating, monitoring and testing standards can be big husiness for the organisations involved and can produce lucrative spin-offs for the consultants who belp companies meet the criteria set.

In a broader context, nations can gain a crucial competitive advantage by ensuring that their standards are the ones which determine international norms. Britain, France and Germany bave each been responsible for drawing up more than 20 per cent of international standards.

The Japanese, for all their wellearned reputation for manufacturing quality, have contributed only about 2 per cent but are showing an increasing interest.

US standards organisations, meanwhile, are fragmented and

Bernstein Group, a manufac-turer of fitted kitchens, faced a problem common to many companies. Its products met half a dozen British Standards governing matters such as strength and hinges and it had qualified for the FIRA Gold Award, a furniture

industry quality label.

But while the FIRA award, introduced in the early 1980s by the Furniture Industry Research Associa-tion, was well known in the industry, it was not familiar to most Bernstein's potential customers. Bernstein needed a more readily recognizable quality label.

At the same time, FIRA and the British Standards Institution felt fitted kitchens would benefit from a purpose-designed British Standard. This would allow BSI to create a Kltemark which manufacturers could place on their products.

At FIRA's prompting BSI put together a furniture industry committee which wrote BS6222, covering domestic kitchen equipment. The first part, relating to the strength of the "carcass" was pub lisbed last year and further parts. covering surface finishes, adhesive bonding, bumidity performance and packaging are due to be finished shortly.

Bernstein, a Manchester-based company with sales of £100m and a workforce of 950, did not have to change its kitchens beceuse it already met the existing, frag-mented standards and It had also qualified for BS5750, covering its quality systems. BSI now insists that companies seeking Kitemark approval also have BS5750.

Bernstein became the first fittedkitchen manufacturer to obtain the Kitemark last August though it has since been joined by a second company, Hygene. Maintaining the lack a coherent voice in international standard-setting.

Despite the importance of standards to industry, the process by which standards are created and the organisations involved in the task are a mystery to most outsid-

The picture is made no clearer by the range of overlapping national, European and international bodies involved and the pea-soup of acronyms used to label the organisations and the standards they pro-

In Britain, for example, the Brit-ish Standards Institution, co-ordinates - but does not control - the writing of new standards. At the European level, most standards are set by CEN, the European Committee for Standardisation, but electrical products and telecommunica-

tions have their own organisations.
International standards, in turn, are set by the Geneva-based International Organisation for Standardisation (ISO).

Once again, however, electrical standards are created by e different organisation. The result is that the same standard can appear in many different guises. BS5750, the British quality assurance standard, pops up in continental Europe as EN29000 and on the international stage as ISO9000.

BSI is unique among world stan-dards organisations in having responsibility for overseeing the writing of standards as well as the capacity to test products to see they meet the standard and to certify companies. Its counterparts in Germany, DIN, and France, AFNOR, restrict themselves to standards

The breadth of BSI's activities, and its status as an "institution" incorporated by Royal Charter, provide the organisation with a considerable marketing advantage. In fact, testing and certification are intensely competitive and there are no fewer than 26 organisations

Kitemark involves two visits a year

from FIRA, which has been author-

ised to carry out regular tests by

BSI and costs about £1,500 a year.

says John Atberton, Bernstein's

quality systems manager. (Though initial testing of a kitchen range

could costs between £5,000 and

It is difficult to quantify the

impact of the Kitemark on sales, he

says but be is happy to have a bet-ter-known quality label.

FIRA is aware of the problems

national industry organisations face

in getting their quality labels better

known. "The problem for organisa-tions like FIRA is we can't afford a

massive national promotion," says

Colin Aitkenhead, chief executive.

which have been accredited to certify products and companies.

Some are small, newly created consultancies, while others are large, long-established companies such as SGS Yarsley, Lloyd's Register Quality Assurance and Bureau

"BSI does nothing to reduce the sion [that it has e special status! but we compete by being more efficient, offering a better service and on price," says Ian Williams, UK chief executive of SGS Yaraley. "We aim to give our client more than just a certificate on his wall."

Just who can issue certificates is also e subject of some complexity. In theory anyone can set up in business to check that companies meet particular standard. In practice the certification companies must themselves be accredited. In the UK this is controlled by the National Accreditation Council for Certification Bodies but accreditation is catching on around the world.

The council does not give blanket approval to a certification organisation but accredits them by industry. BSI is accredited for 900 of the 1,000 or so standard industrial classifications. SGS Yarsley has made e speciality of the health care and soft-

Despite the move to creating more European standards, certifica-tion and testing are still carried out on a national basis and seals of approval and certificates are not always acceptable to customers in other countries.

It was to overcome this problem that the European Organisation for Testing and Certification was set up, after a two-year trial, last January. The aim is to persuade testing laboratories and certification bodies to recognise each other's work and agreement has already heen reached in the information technology and electrical sectors.

The UK already has some 11.000 standards covering everything from the dimensions of twist drills,

Furnishing a

label of quality

Fitted kitchens now benefit from a purpose-designed British Standard







mittee maze on time and close to the original specification.

Once a standard has been written. No fewer than 35 organisations sat on the committee which last

companies may huy a copy and then apply its criteria to their products or services or their entire operation. If they can meet the stan-dard's specifications, they may then attach the appropriate seal, often in the UK the BSI's Kitemark. Regular testing and inspections Once a draft has been agreed, it is

continue for as long as the company continues to comply with the standard. In theory, companies could falsely claim compliance but competitors will be quick to point this out. Customers also provide an important control mechanism and local authority trading standards officers keep a close watch.

Despite their importance to industry, standards have been very much a back-room activity, largely because each one is specific to a particular industry sector.

But, as more and more "horizontal" standards are created, covering areas such as quality assurance and environmental management and applicable to companies across e broad swathe of industry, they will move to centre stage.

Back on the track at BSI

British Standards Institution.
The title conveys a feeling of solidity, establishment, of being above the commercial fray. In fact the BSI has a monopoly in only one area of activity - that of standard writing.

In the fields of testing and certifying products and companies, BSI faces tough competition from a range of commercial rivals. Even so, the widespread recognition in industry of BSI and its kitemark seal of product approval do give it an advantage in the market place.

On the international scene, BSI's dominance of standard setting and the range of its other activities also give it an undonhted advantage over its continental counterparts such as DIN in Germany and AFNOR in France, says Michael Sanderson, chief executive (pic-

tured below). Established in 1901 as the Engineering Standards Committee, the BSI has a wider range of activities than any of its national or interna-

BSI also avoided the split between the electrical sectors and the rest of industry which has marked other standards organisations. These arose because the International Electrotechnical Committee was founded in 1907, 40 years before the International Organisation for Standardisation. responsible for all other industry areas, and has never merged. All the standards organisations which were subsequently set up murored

One of BSI's first actions was to bring order to the manufacture of structural steel sections used to make tramway rails. Within a year



International glossary

Marks of distinction

year drew np BS7750, specifying

environmental management

systems. "It can be a thankless

task, trying to bring together mutu-ally antagonistic forces," comments

Sanderson, "But we have been

doing it for 90 years and we have

made available for public comment

for a three-month period. It is often

difficult to achieve agreement at a

national level, but a further compli-

cation is added if, as frequently hap-

pens, the standard has international

implications. BSI will then send a representative to CEN or ISO to

steer the standard through the

European or the international dis-

From gleam in the eye to pub

lished document takes, on average,

two years in the UK, four years in

Europe and more than six years at

international level, says Sanderson.

He claims that Britain has a better

record than many other countries

for piloting European and interna-

tional standards through the com-

got quite good at it."

cussions.

ISO, the International Organisation for Standardisation. Set up in 1947, the ISO is a federation of 96 member countries which appoint committees to establish international standards. More than 8,600 international standards have been created.

standards committee is allocated to a country with experience in that area, with the result that seven members carry out 90 per cent of the work. Germany leads with 24 per cent of standards work, Britain with 23 per cent and France with 22 per cent. If the ISO creates a standard this

takes precedence over national or European standards. The only area where the ISO is not active is in the electrical industry. Electrical standards are the responsibility of the International Electrotechnical Commission, set up in 1907. International standards carry the ISO prefix.

CEN, the European Committee for Standardisation. CEN groups the national standards bodies of the 12 European Community member countries and the six members of the European Free Trade Association. A further eight countries, mainly from eastern Europe have affiliate status.

CEN was established in 1961 but had little to do for its first 24 years because standards setting was dominated by the national organisations or ISO/IEC. But in 1985 the European Community instituted a new approach to standard setting because it needed

standards to back up the directives it was starting to produce for its single market initiative.

CEN attempts to avoid duplicating the work of other organisations, so where possible its standards are based on national the EN (Euro-norms) prefix. CEN has just published a book describing its work and the system of European standards. CEN Standards for Access to the European Market costs Ecu38 (£31)

plus postage from CEN, Rue de

Stassart 36, B-1050 Brussels. Tel: +322 519 6811.

In common with ISO, CEN has no responsibility for the electrical industry. This is handled by CENELEC, the European Committee for Electrotechnical Standardisation, while

telecommunications standards are dealt with by ETSI, the European Telecommunications Standards The European Organisation for

Testing and Certification (EOTC) was set up last January following a two-year pilot. Its aim is to establish the mutual recognition

by certification and testing organisations in Europe of each others' work so that companies do not need to obtain certification in each country. The CE Mark. Is probably best

known to the general public for toys but is applicable to a wide range of products including construction products and gas appliances. Partly because of its use on toys it has come to be seen as a general consumer guarantee of quality or safety. In fact it is intended to show that a product meets the minimum specification required by the underlying EC directive. In some cases this is underpinned by independent certification, in others it hinges only on a manufacturer's declaration.

The BSI Kitemark is perhaps the most widely known UK seal of approval and is awarded, or licensed, by BSI to companies which produce goods to accepted national or international standards. Compared with the nearly 12,000 British Standards in existence there are fewer than 1.800 Kitemarks and lesser known Safety Marks. This is because Kitemarks apply to products and not services or procedures, while some of the older product standards would need to be revised to make them suitable for kitemarking.

The launch of the CE mark is a possible threat to the Kitemark and has prompted BSI to consider how to promote its "label".

of the introduction of a kitemark for tramway rails in 1903 the number of steel sections used had fallen from 75 to five and industry made an estimated saving of £1m a year. Despite Britain's early lead in standard setting, quality slumped after the Second World War. It was a realisation of just how far stana revival of interest in the 1970s and the creation of BS5750, a quality assurance standard, in 1979.

That standard has proved phenomenally successful for BSI and quality assurance work, certifying, approving and testing companies to BS5750, accounted for 45 per cent of BSI's total 1992 turnover of £74m and nearly two-thirds of its £7.5m operating income. The growth in quality assurance work is almost solely responsible for the rapid rise in staff numbers to more than 2,000 in the past two years.

BSI's monopoly of the standards setting business gives it an undoubted advantage in the market for its other services but also helped foster a sleepy, bureaucratic atmosphere. A programme to improve efficiency was launched in the late 1980s. A layer of committees has been removed and a smaller main board created.

In the early 1980s BSI made an unsuccessful attempt to gain a monopoly over certification, alongside its existing exclusive mandate for standard-setting, hnt was rebuffed by the government. This has no doubt played a part in its becoming more commercial. BSI, 2 Park Street, London WIA 2BS. Tel: 071 629 9000.

Management

Buy-Out

What is your company

worth?

PC spreadsheet valuation model.

as used by venture capitalists.

£49.95 + VAT.

For further details contact

alas (London) Lid.

28 Grosvenor Street, London W1X 9FE

Tel: 071-917 9711 Fax: 071-917 6002

DISTRIBUTORS AND AGENTS REQUIRED FOR CIGARETTES

Virginia Industries Limited, Manufacturer of fine American and Virginia Blend Cigarettes, is looking for distributors and agents for its various brands in the countries of east Europe, ex-USSR and Africa. Interested companies should contact with complete company background at the following address:

> PO Box 16868, DUBAI, U.A.E. FAX: +971 84 56998 **TELEX: 46794 VIRGN EM**

REQUIRED

DISTRIBUTION COMPANY NORTH LONDON

Our Company is seeking to relocate in North London to premises of 30/40,000 sq. ft. We would prefer to merge with an existing distribution business. This business

> . Have sales up to £20 million per annum Require 10-30,000 sq.ft. of warehouse space Distribute regionally or nationally ideally be in the DIY/Home Improvement/Building Products Sector

Please write in strict confidence to Box B | 138, Financial Times, One Southwark Bridge, London SE 19f(L

BUSINESS OPPORTUNITIES READERS ARE RECOMMENDED TO SEEK APPROPRIATE PROFESSIONAL ADVICE REPORTE ENTERING INTO COMMITMENTS

Latvian Trade Industry Company LEVEL LTD. with turnover 1 million USD per month, is seeking food-goods, suices, fruit, beer suppliers, as well as consumer goods. In case of interest contact us:

It was partly for this reason that

FIRA hecame a co-founder, 18

months ago, of the European Asso-

ciation of Research Institutes for

Furniture, linking 12 national

organisations. The European furni-

ture industry is awash with

national labels including the FIRA Gold Award, the mobelfakta label

used in the Nordic countries and

The European association hopes

to achieve an agreement on mutual

recognition by the different

national organisations and is work-ing on creating a common label for

furniture. But these hopes depend

on the creation of European stan-

dards for furniture manufacture

and these are still some way off.

the French Norme Française.

TIC LEVEL LTD, 44 RAUNAS STR., RIGA, LV-1059, LATVIA; TEL/FAX LMT +371-9-348822; TEL +371-2-567258; FAX +371-2-568573: TELEX 161244 TIGRI SU.

Welcome to MONTREUX VEVEY Your Place of Business.

Favorable taxation

The lespiting setting 'Premer Cuntact". write or call :

Michel-A. Graber. Regional Economic Coursellor P.O. Box 122 CH-1830 Montre Tel. (+41211/1071) 963 48 48 Fax (+41211/1071) 963 80 65

Does your dustness need capital?
Active private inventors & empression
have costs to invent. Tel 0491 579999

needs CHIEF EXECUTIVE whose reputation would create interest and whose skills and energy would reward the shareholders and

This would be a wonderful vehicle and opportunity for the right person. Apply in confidence to Box B1137. ncial Times, One Southw

A GERMAN INVESTMENT BANKER

LISTED COMPANY Profitable, ungeared and with

Bridge, London SEL 9HL

GOLF RELATED COMPANY REQUIRE mal background and setting up

M &A company) with entrepreneural spirit, excellent German contacts, keen to formulate/ implement strategies for es wishing to enter ny/Esstera Parc y/Eastern Europe (e.g. M & A) Fax ++49/6196/2117. 081 947 3793 (Tel) 081 947 3811 (Pex)

Private client Stockbrokers in Bury St Edmunds would like **IMPORTERS** to meet/epeak with Stock Are you a small company Exchange Dealers/Registered Representatives with sting client bases. Commission

earning only.

Z/ Churchgate Street, Bury St Edmunds

uffolk IP33 LRG

Tel: 0284 723761

HEALTH SCREENING!

CORPORATE HEALTHCARE

Successful healthcare company

specialising in health screening and

a share is business or practices
focussing on these areas. Flexible
approach to structuring arrangement.
Responses treated in strictest confidence.
Write Box 61140, Flancial Times, Onc.

Southwark Bridge, London SEI 9HL

ESOK FOR WORKING CAPITAL.

Management participation possible

ct: A.J. Penna (Scilcitors)

Fistablished products

Min £5K - BES available

Potert pot

sted in either purchasing or takin

who has exclusive rights to import products from Overseas and who requires an injection of Please telephone or write to: capital. We are looking to Sarah Motiey edmayne Bentley Stockbroi invest in your type of company.

> Write to Box 81135, Financial Times, One Southwark Bridge, London SE1 9HL

A well known U.S.-based manufactorer/marketer of Environmental Equipment and Services (0.2 to 760 cm. meter Sewage Treatmen Systems) seeking parties interested in licensing rights to make and sell proven lockeningy in interestional markets. Write to Box No S 1674,

Pinencial Times, One Southwark Bridge, Lendon SEI 9HL

OFFERS ARE INVITED FOR THE PURCHASE OF 5,756 ORDINARY SHARES OF 10p LIMITED

CRYSTAL PALACE F.C. (1986) Tease write to Box 01142, Floratchi Ta thwark Bridge, Landon S Before 14 June 1993

WORLDWIDE FINANCING Europe - So. America -Asia - Africa Venture Capital Commercial Real Estate

Business Loans Project Financing * Letters of Gredit * Prime Bank Noter

EDWARD F. GIBSON LTD. Business & Mrkt'g Consultar 212-286-6064 Telephone 212-286-6007 Fax BROKERS WELCOME

PRIVATE INTERNATIONAL TOUR OPERATOR SERKS INVESTMENT PARTNERS To assist in expansion in a highly profitable niche market in U.S.

Generous interest rates and/or profit participation Principals only frite to Box No B1125, Financial Times, Ine Sosekwark Bridge, London SRI 9HL

TOP MANAGEMENT EXPERIENCE INVESTMENT
le to help develop small/s
sized business.
All sectors considered. South East location preferred. Please reply in strictest confide

Box B1130, Financial Times,

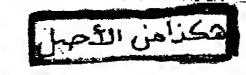
though Bridge, London SEL 9HL

REACH BULGARIAN
MARKET WITH US
OR HELF US TO REACH
YOUR MARKET

branded goods, suitable for
pur market;
amail joint enterprise with
gustanted sales of production
abroad.
Please and bief outline to: COOPSITURES
128 SOFA BULGANA SOX N.1.
FAX 00086 (02) 465-408

> Trading 27 years Same bank for 27 years Paying 3 % % over base Requirement £500K secured on existing owned property ideal private investor Tel: (0787) 60200

LEASE PROBLEMS on office



MILS

BUSI

er apelie. Erren er er er ere They are the Park Barre

F.D. W. 414 . BUSIN

PARIS Will answer doing by

NTERIM EXECUTIVE

Call Ball Services (1)

equipment? Contest Lense Consultents Ltd 061-941 5921

the state of the particular section of

BUSINESSES FOR SALE

OMMENDED TO SEEK APPROPRIATE PROPESSIONAL ADVICE BEFORE ENTERING SITO COMMITMENTS PRODUCT ACQUISITION REQUIRED

Precision turned components manufacturer requires product to manufacture/assemble, possibly under Licence. Floor and machine capacity available.

VERSATEX LTD FAX: 0753 580252

Business Opportunity Partnership or Outright Purchase

d

•

Our client is an established leisure be susiness in Dorset and requires either an injection of capital in facilitate necessary equasion or is prepared to dispose of the vhole business to a suitable buyer.

lease reply to the first instance to: Douglas Dale, Chartered Accoun Sansome Lodge, 4 Sansome Walk Worcester WRI 11.11

Tel: 0905 21236 Fax: 0905 23883

GREETINGS Leading publisher of grooting cards and stationery products is now licensing the supply and activicing of its national retainates base on a regional basis.

Potential distributors should have successful track record in running a business and £50,000 working capital.

You are offered an opportunity to participate in a genuine business with substantial focusion

TEL: 061 488 4469

CHANNEL ISLANDS Offshore Company Formation and Administration. Also Liberia. Panama & BVI etc Total offshore dities and services.

PUBLISHER

seeks investor with capital to levelop lucrative opportunities ted by established international adult magazine title. If your'e looking for e dull and boring addition to your portfolio give this e miss. Total

Write to Box B1117, Financial Times, One Southwark Bridge, London SE1 9HI

GLORIOUS SOUTH DIAYON

Lodges in beautiful wooder

DEVON TQ14 9TN 0626 776988 FAX 0626 776595

PRIVATE LEISURE COMPANY requires help in acquire adding positive cash flow businesses. Contact fax no 071 823 4480.

SOD BISHOPS TEIGNION

ANNUAL RENTAL INCOME of \$290K for sale \$370K. Enquiries write to box 61134, Financial Times, One Southwark Bridge, London \$21 8HL

IRAN Beiglen Menufacturer of Squipment with several letters of credit issued by transan backs is looking for insurance or confirmation. Contact: Mr John.

WORKING/ RETIREO PUBLIC CO. Chairmen required for expanding private Leisuro Co. Contact fax no. 071 823 4480.

BUSINESSES WANTED

INDUSTRIAL CHEMICALS

Highly successful UK subsidiary of a major European Speciality icals manufacturer wishes to expand its UK base by acquisition. Our client is seeking companies with a proven sales team operating in a defined market, production facilities would be an advantage.

They are able to offer a professional management team allied with strong financial backing.

> Mr Adrian Berg BSc FCA Chartered Accou 17 St Ann's Square

Telephone: 661 832 4841

COMPUTER COMPANIES WANTED

We are seeking to acquire Computer Software Houses and other businesses in the computer field with turnover between £5m and £25m. We will consider loss-makers as well as profitable businesses. We are a substantial quoted group operating in the computer sector.

Apply in strict confidence to:-

Box B1122. Financial Times... One Southwark Bridge, London SE1 9HL

ACQUISITION REQUIRED

To relocate to our S. London site. Ideal size would occupy 5-10,000 sq.ft. Also interested in larger and smaller companies. We are profitable & successful in plastics moulding, steel fabrication and light engineering. Prepared to consider a wide range of businesses in these or other activities.

Reply in confidence to: Chairman, PDTM Ltd, 20 Mayday Rd, Thornton Heath, Surrey CR7 7HL Fax: 081 683 2491

Computer services group is looking at acquire a small PC software company. Turnover in the order of £1 million. Good Technical Skill base and quality

Box No. B1 123, Financial Times, One Sentiment, Behips, Landon SRI 988.

WANTED FOR ACQUISITION

Quality services security referred areas - Midlands Yorkshire/Lancashire/ West Scotland. islity and Box No. B1 133, The Famecial Times

thwark Bridge, London SE1 968. FLOUR MILL WANTED Cash buyer spekt JK/European operation. Fax t Sensya 41 22 70 025 03

NURSING OR RESIDENTIAL HOME

for the elderly required in London or home counties. Considerable funds available for outright purchase.

Write in Box B1141, Financial Times, One Southwark Bridge, London SE1 9HL

EUROPEAN MOTOR

But No. B1036, Pleancial Times, One Southwark Bridge, Landon 581 914.

BUSINESS SERVICES

PARIS HELPLINE Will answer your questions about doing business in France.

Tel: (010 33 1) 44 70 90 72 Fax: (010 33 1) 44 70 90 73

INTERIM EXECUTIVE

Aveilable for assignments in U.K., Europe & USA, Expertenced Group CEO, commercial director/VP, and UK merchant benk executi Apprentice trained engineer.
HNC. Certified Accountant. Computer Literate. Speaks fak German. Aged 51.

Strategy, Business Transcuring and III Strategy, Business Transcurint, TQM, Market Development, Team Building, Contract Definition, Materials Mgs.

Call 0622 685856 (U.K.)

*LOOKING FOR centrally Frankfurt zirport? WE CAN HELP! Not only by providing you with the necessary address but also with the complete range of office services and much more

> Call or fax ex Tel: 49-6185 26044 Fax: 49-6105 25395*

YOUR OFFICE IN LONDON From 70p a day. Accent/Tel Ans/TelFavillati Box etc. Office Box. Tel: 071 436 0768 Fex. 071 980 5729



BANK OF ATHENS S.A.

ANNOUNCEMENT OF THE PUBLIC INVITATION TO BID FOR THE PURCHASE OF THE ASSETS OF THE COMPANY NAME "ATHENS PIPE WORKS S.A."

The Benk of Athens es a special liquidator for the Company named "ATHENS PIPE WORKS S.A." which has been placed under a special liquidation procedure provided for in Article 48a fo Law 1882/90 by virtue of Decision No 3967/92 of the Athens Court of Appeal, as the judgment section of that decision was construed by Decision No 592/93 rendered by the same Court.

a Public Invitation to Bid on the bests of seeled binding bids for the sale, as a whole, of the assets of the Company named "ATHENS PIPE WORKS S.A." (hereinafter called "the Company"), as it is specified in the Stidding

BREF DESCRIPTION:

The company was founded in 1960 with a registered office located in Athens (Offices Address: 260, Piracua Street) and up to 1992, when the Company was placed under a stage of special Equidation the scope of its activities/business was as follows: ctivities/business was as follows: 1. The production of Steel Pipes

Longitudinelly welded steel pipes (1/2" - 10 3/4") for water supply, mechanical structures, line pipe casing and tubing (with API monogram), water pumping (ASTM) etc.
 SPIRAL weld seam pipes (6 1/4"-80") and
 Steel quick coupling pipes (diameter 70-150).

2. The graduation of steel enumered bathtubs and

2. The production of steel exteriors of the production of steel healing radiators.

3. the production of steel healing radiators.

Its factory, which is located at position GLYFA, DROSSIA, CHALKIDA is 432.7 stremmes (1 stremme = 1,000 kquare metres) in area and its enclosed space consists of five (5) independent large buildings and four (4) smaller es and is 74,800 square metres in area.

The instelled power of the mechanical engineering equipment is 30,000 KW and the total production capacity of the lectory is estimated, depending on the pipes specifications, at 100,000 - 150,000 torans per armum. Further, the Company owns e real property located in Nea Effarpia, Thesseloniid (49, Langada Street), the site of which is 17,2 stremmes in area and the enclosed space is suitable for use as a warehouse (5,143 square control to the street of the stre

Every party concerned will be entitled to receive a detailed Bidding Memorandum and any other information oncerning the Company's assets being under sale upon submission of a confidentiality promise in writing.

TERMS OF ANNOUNCEMENT

1. <u>Creambler.</u> The Public Bidding Procedure will be carried out according to the provisions of Article 48a of Law 1892/90, according to the terms of this announcement and according to the terms which are included in the Bidding Memorandum, no matter whether they are repeated or not in this announcement. The submission of a binding bid shall meen the unreserved acceptance of all these terms.

2. <u>Binding bids</u>. For the perticipation in the bidding procedure the parties concerned will be summoned to submit a sealed written binding bid until Friday, 18th of June 1993, 12.00 hours to Georgia Fiamengou, Notary Public for and in Athers of 31, Cher. Triboupi Street, 4th Boor, tel. No 3609478.

The price being offered must be explicitly stated within the bids and such price must be a flat price for the Company's assets being sold and the terms of payment must also be mentioned in detail (for each or on oradit, making reference to the number of instalments, the time of their payment and the interest rate being proceed).

Bids submitted out of time will not be assepted and will not be taken into account. The commitment pertaining to the bids shall be valid up to the assignment and the execution (signing) of the contract provide for in

Letter of Guerantes. Every bid will be accompanied by a Letter of Guerantee issued by a Bank lawfully operating in Greece of a three (3) - month term at least for which an extension shall be possible up to the assignment, for an amount of three hundred (300) million. A model of tha letter of guerantee is contained in the Bidding Memorandum. Bids without a letter of guarantee shall not be taken into account, in the event of breach of the terms of the bidding procedure by a participant who will be regarded as highest bidder the amount of the letter of guarantee will be forfelted in favour of the liquidator as a penalty and payment of

Way of submission. The bids along with the letters of guarantee will be submitted within a sealed opaque envelop. The submission of the bids will be made in person or by a lawfully authorized person.

The unseeling of the bids will be made by the Notary Public in her office on Fridey, 18th of June 1993 at the 13.00 hours. Those who have submitted a timely binding bid will be entitled to be present upon the unsealing

of the bids and sign the unsealing report to be drawn up.

3. Highest bidder. The person/party whose bid will be judged by the creditors representing more than 51% of the cisims against the Company (hereinafter called the Creditors) at their absolute discretion, upon proposal submitted by the figuidator, as the most beneficial for the Company's creditors will be regarded as the highest bidder. It is noted that in the event that a deterred payment of the prices is offered, the current value shall be taken into account for the evaluation of the bids, which will be calculated at an interest rate of 22% per annum

7. The figurators will advise the highest bidder in writing to come obligatorily at a place and time which will be determined in the notice for the execution (signing) of the appropriate contract for the transfer of the assets on the basis of the lerms of his/its bid and the other better terms, if any, to be recommended/indicated by the creditors and agreed upon with the highest bidder.

The assignment shall occur upon the execution (signing) of the relevant contract for the transfer, In the event that the person/party being regarded as the highest bidder breeks his/its promise to come and align the contract for the transfer of the assets as well as to comply with his/its obligations resulting from this announcement and the terms of the bidding procedure, then the guarantee given shall be forfeited in favour of liquidator Bank of Athens for the purpose of the detrayet of the expenses of any nature and its work as well as for the purpose of covering any actual loss or loss of earnings, without the liquidator having any obligation to give any perticular proof in regard to them. Further, liquidator Bank of Athens will have the subsidiary right to regard that the letter of guarantee amount has been forfelted in its favour as a panelty and ask for its

8. All the expenses and costs of any neture for the participation in the bidding procedure and the transfer of the assets shall be exclusively borne by the perties concerned/buyers and the highest bidder, as the case may

Article 46 a of Law 1892/90 shall apply, and the V.A.T., if any, on the items of movable property shall be borne

9. The liquidator and the creditors shall not have any liability or obligation towards the parties participating in the . The liquidator and the creamors shall not have any assumpt of congenion towards any time battles participating in we bidding procedure in regard to the evaluation of the bidding procedure and generally for any other decision relative to the bidding procedure. Further, the liquidator, the creditors and the Notary Public shall not be responsible in regard to any physical or legal defects of the items of property being sold. The next that the decision relative to the participation of the liquidator, the creditors and the Notary Public shall not be responsible in regard to any physical or legal defects of the Items of property being sold. The on of the banding bids s the bidding procedure shall not acquire any right or claim in regard to this announcement and their penticipation in the bidding procedure against the liquidator or the creditors for any reason whetevever. 10. This announcement has been drawn up in Greek and in English (translation). In any event, however, the

11. For the receipt of the Bidding Memorandum and any additional information the perties concerned may address themselves to Mr. Dem. Vainalis, the liquidator's representative, in the Company's offices, 260, Piraeus Street, tel. Nos 4820828 - 4811375, fax No 4810171.

THE BANK OF ATHEMS

_____ **GIFTWARE** MANUFACTURER

(South of England)

Niche market leader in several gift sectors within

the consumer goods market Expanding range of high quality products

Experienced and successful management team - proven in recession

Well established with a blue chip customer base including retailers and mail order companies

 Turnover ≈ £3.7 million ● Profit before tax ~ £500.000

● Net assets = £1.2 million

Potential purchasers please write to Maria Bennett at the address below. Livingstone Fisher plc

Acre House, 11-15 William Road, London NW1 3ER VOLIVINGSTONE FISHER The Acquisition & Disposal Specialists
A Member of FIMBRA

HILLARY

ON THE INSTRUCTIONS OF THE JOINT ADMINISTRATIVE RECEIVERS, S. SWADEN AND POWER OF LEONARD CURTIS AND PARTNER

NEAR HELSTON, CORNWALL THE POLURRIAN

HOTEL **AA 3 STAR HOTEL** 40 EN-SUITE BEDROOMS 9 SELF-CATERING UNITS

14 ACRES OF GARDENS AND GROUNDS OUTSTANDING CLIFF TOP POSITION PROJECTED T.O. C.£700,000 Y/E31/12/93

LEISURE COMPLEX

GUIDE PRICE £750,000

COLOUR SECCHURE FROM SOLE SELLING AGENTS: WILLIAM HILLARY & COMPANY
CLOSE GAZE HOUSE, 47 HIGH STREET, SAUSBURY, WILTS SP1 20F TEL: 0722 327101 FAX: 0722 411803

LEISURE AND HOTELS

ENVIRONMENTAL CONSULTANCY FOR SALE

ENVIRONMENTAL IMPACT ASSESSMENT, BS7750 Location of Company: WEST OF ENGLAND

Teage weits in the flut instance to: Nex B§ 136, Pinzacial Times, Southwark Bridge, Landon SE1 9811.

FRANCHISE

chise company operating in the exsional services sector. 25 ories operational throughout UR, siderable scope for further lopment. Fee income in excess of

Contact John Warren at

on (0765) 606931.

PROFITABLE TEXTILE MERCHANT CONVERTER

excellent reputation Profit £600,000

MANAGEMENT CONSULTANCY We are e well established, highly nie mangement consultano hich last year had revenues in

client list. We are actively considering a sale or a merger and would like to talk to suitable partness. on to suitable partners.

Principals only write to Box B1191,
Financial Times, One Security. nancial Times, One Souther Bridge, London SE1 9HL

MALLORCA

Well established marine engineering company for sale. Main distributor for three major engine manufacts ideal for further developmen Consider offers around £250,000.

Send for details to Box B1563. Innes, One Southwa London SE1 981L

Ross

Touche

Quietwaters Hotel, Golf & Country Club

The Joint Administrative Receivers, N R Lyle and D L Morgan offer for direct sale or joint venture participation, Quietwaters Hotel, Golf & Country Club.

Quietwaters is within easy reach of London and the M25 and was formed in 1987 to establish a premier golf and country club comprising a luxury hotel, two golf courses and a wide variety of high quality sports facilities for tennis, bowls, squash and snooker.

Quietwaters comprises:

■ Championship Golf Course designed to PGA European Tour standards.

■ Further 18 hole golf course and separate club house with current turnover of £500,000 pa.

Four star quality hotel with potential 118 rooms including swimming pool, health and fitness facilities and extensive conference and function facilities. Built to extremely high standard and only requiring

 Country club facilities annexed to the Hotel including 3 squash courts. 4 tennis courts, championship standard bowls hall, snooker rooms and 3 outdoor tennis courts.

Full range of food and beverage facilities throughout

For further information please contact Sandy Brown or James McMurdo at



PO Box 810, Friary Court, 65 Crutched Friars, London EC3N 2NP, Tel: 071 936 3000. Fax: 071 480 6881.



Bass Taverns

· Thirty-Seven ·

Quality Pubs, Restaurants and Hotels **All Areas** From £60,000 to £1,000,000

Available as a group, in packages or individually

For further information please contact: Colin Wellstead or Andrew Whiteford on 071 486 4231

CORPORATE DIVISION



Hotels in London for Sale

The Joint Administrative Receivers Peter Copp and Geoffrey Kinlan of Stoy Hayward offer for sale the businesses and assets of the following hotels. Both are busy tourist hotels situated in Kensington, London SW5, within walking distance of Earls Court Exhibition Centre.

Ambassadors Hotel

138 rooms

 Freehold ♦ 7 floors plus basement

♦ Extensively refurbished 2½ years ago

◆ Conference facilities ◆ Large bar area

2 lifts ◆ Turnover £1,122,208 for the year ended 31.3.93 per unaudited

♦ Breakfast room/dining room

financial accounts Interested parties should contact the Receivers' sole agents Robert Barry & Co., 7 Upper Grosvenor Street, Mayfair. London W12 9PA. Tel: 071 491 3026

Kensington Court Hotel 35 rooms

◆ Car park for 10-12 vehicles • 6 floors plus basement ◆ Restaurant/breakfast room

financial accounts

Freehold

 Lounge and bar area recently refurbished ◆ Turnover £264,168 for the year ended 31.3.93 per unaudited



Fasc 071 629 9373. STOY HAYWARD Howath

untants and Business Advisers Authorised by the Institute of in England and Wales

PS 22837 8 Baker Street, London W1M 1DA. Tel: 071-486 5888. Fax 071-935 3944. Lucrative Business for Sale Naples Florida

> & 2 safes valued at \$110,000. Gross Sales \$2,000,000 Pax: 813 434 8425 USA

Price: \$2,500,000 Cash Including

\$1,900,000 inventory and fixture

onds, Ociental Rugs, Art

ASSETS event companies and

Fax: 071 706 3464

LEGAL NOTICES

in the High Court of Justice No. 001572 of 1993 imecry Division EN THE MATTER OF OTTAKAR'S PLC

COMPANIES ACT 1985
NOTICE IS PERREBY OFVEN aim the Order of
the High Court of Justice (Chancery Division)
dated 31st Motech 1993 continuing the reduction
of the capital of the above-sencel Company from
£3,180,930 to £1,431,814 and the Minute
manual by the Court declarate the manual con-

approved by the Court showing with respect to the capital of the Contgany as altered the several particulars registed by the above-mentioned Act were registered by the Registers of Computes on

OXPORD OXI 2PZ Solicitors for the above-examed Compan

Fully serviced offices, business address, boardroom, all secretarial services plus free telephone and message taking for further details. Phone: 071 637 5505.

HARLEY STREET

BUSINESS CENTRE.

MEDIA BUYING -WORLDWIDE. For a brochure on our costeffective media planning

& buying service Tel 081 892 9137

ECHYENSEPS/LIQUEDATION — PROK.
PAGES — The westry guide to every
insolvent company. Direct contact with
Liquidators/Receivers. Fully indexed
according to company type. Free
sample copy — Tet. (6273) 626681, 34 ftm.

BUSINESSES FOR SALE S des Co. T/O k Design - led feathern screenation Co. T/O to yie June '92 2000k. Good profits record & Type of Business: AIR POLLUTION ANALYSIS.

£250.000

ESTABLISHED MASTER

Offices around £125,000 for be

niche market,

Please scale so Box No Bi 132, Financia Threes, One Southwark Bridge, London SRI, 98E.

ecess of £2 million from a blue chip

PORTUGAL (LISBON)

Net assets USSO Sono

One Southwark Bridge, London SEI 9FIL

estrumentation distributor 1992:

Sales LISSS 3mm

Pretax US\$0.4mm Empl. 23

MEEBLECHAFT BESTREBUTION CO.

E Est, 20 years, Near Loadee
Thinover £2,000,000
Pro-tax poofs £220,000
Price £1,000,000

John Warner, Baker Tilley, 12 Gleangies Court, Crawley RH16 6AD, UK

Tel: 0293 565165 Pax: 0293 532695

Analytical and scie

MAGAZINE ADVERTISING

Tel: 071-282 1164

DITY AND QARDENI Product range. Unique and well established in retail methods, UK & Bre, with potential to Europe. Sales and dishibution including major DITY multiples. Set contained production. T/O 2170,000 at 45% gross profit, 40% growth. OIRO 2320,000. Piesse write to Box 51125, Financial Times, One Southwest Bridge.

IN THE MATTER OF THE

Sin May 1993.

Dated this 25th day of hiny 1993

Masches & Co

3 Workster Street

SWAN GHUNTER

The business and assets of the Swan Hunter group are for sale as a consequence of receivership of Swan Hunter Limited, Swan Hunter Shipbuilding and Engineering Group Limited and Swan Hunter Investments Limited.

- A name and reputation built on over 100 years experience of shipbuilding
- A company which has built over 2,700 vessels, of which more than 400 have been naval ships
- The main activities are:
- the design, construction and integrated logistics support of warships, fleet auxiliaries and specialist merchant vessels for home and export markets
- major refit work for a wide range of vessels
- technology transfer services such as computer aided design and feasibility studies
- Operating from three shipyards on the River Tyne in North East England which have extensive and versatile production facilities including:
- six berths with craneage of up to 180 tons
- a dry dock of 264 metre length, 44 metre width and a minimum sill height of 5.56 metres
- a 300 metre outfitting quay

- The three sites total some 129 acres
- An experienced design team and a leader in computer aided ship design technology
- Swan Hunter has designed a wide range of naval and merchant vessels for home and export markets
- A highly skilled and versatile workforce
- ISO 9001 approval for all types of surface warships, naval auxiliaries and merchant ships
- Existing contracts for three Type 23 frigates for the Ministry of Defence (MOD) and other non - MOD shipbuilding and engineering contracts

CONTRACTS & TENDERS

A presence in South East Asia based on a business in Singapore and Malaysia offering integrated logistic support and design services

Interested parties should respond without delay to:

Tony Davis, Price Waterhouse,

89 Sandyford Road, Newcastle upon Tyne, NE99 1PL

Fax: UK 091 261 7353

Price Waterhouse



Auction Wednesday 9th June 1993 in our salesroom in CASHEL PALACE HOTEL,

CASHEL, CO. TIPPERARY

An internationally famous luxury Grade A Hotel on 20 acres. This excellent two hundred and fifty year old former bishop's Palace is now one of Ireland's most highly regarded and successful hotels. It is situated in the historic town of Cashel with the famous Rock of Cashel as a magnificent backdrop. The Ceshel Palace Hotel which has been meticulously maintained and substantially upgraded over the years has earned a wall daserved reputation, nationally and internationally, as the most prestigious of Irish Hotels. Superb features include:

- 20 elegant and spacious ensuita badrooms Individually decorated.
- 'The Four Seasons' gournet restaurant. Drewing room, conference/functions c. 80 covers.
- 'Bishops Buttery', ona of Cashel's most celebrated eating places. Cellar Bar
- Landscaped gardens dating to 1730's.
- 20 acres with exclusive private walkway (Bishop's Walkway) directly to the Rock of Cashel.
- Excellent local sporting facilities (Golf, Fishing etc.) Separate magnificent 4 bedroomed privata residence. Freehold.
- Contact: Dermot Curtin Tel: Int + 353 1 6682588

Fax: Int + 353 1 6682991



FOR SALE SAFETY, COMMUNICATIONS AND POWER SUPPLY TECHNOLOGY COMPANY

- Products and control systems
- T/O in excess of £3m pa
- PBT over 10%
- Blue chip international customer base
- Experienced, committed management
- **Expanding rapidly** Strong order book

For further information plese contact: Stephen Bourne or Julian Gibbins, at New Garden Hoose

78 Hatton Garden, London EC1N 8IA

Tel: 071 831-7393

Fax: 071 405-1475

KERR **FORSTER** CHARTERED ACCOUNTANTS

PANNELL

anell Korr Forser are authorised by the leadage of Chart England and Wales to carry on investment business in th

Messrs, S. Barnes & R. Welsby

NIGHTCLUB FOR SALE **BIRMINGHAM**

- City Centre
- Leasehold
- Offers invited

Contact: JCH/MWY



AQUISITION OPPORTUNITY e Meat Processing and Packaging Business T/O Around £7.5 m

- * No Financial problems * Nett Assets around £950,000
- * Prestige (50 strong Customer Base) * Main Product Minced Beef
- (100 tons of Beef per week)

- * Products sold in 1000's of High St. Food Stores

- * Enormous Growth Potential # Est. 20 years. For details write to Box A4908, Francial Times, One Southwark Sridge, London SE1 9FL.

CENTRAL LONDON

Prime retail space

15,000 sq ft

Knightsbridge

TO LET

Box No B1145 Financial Times One Southwark Bridge, London SE1 9HL

OFFICE EQUIPMENT

WANTED OFFICE FURNITURE

urgently required by substantial Any quantity, good quality will be promptly collected by professionals and paid by CASH or DRAFT.

TEL: 0202 398327 (5 lines)

INTERNATIONAL COMPETITIVE

BIDDING NOTICE BIDDING NOTICE No. 874-011/93

PETRÓLEO BRASILEIRO S.A. - PETROBRÁS has received a loan in various currencies equivalent to USS 260 million from the World Bank and intends to apply a portion of the proceeds of this loan to the purchase of material and equipment for the erection of one Hydrotreatment Process Unit at Presidente Bernardes Refinery, in Cubatão - SP - Brazil

This Bidding will be made under the roles of the World Bank and its

a) forty five (45) shell and tube heat exchangers, designed and fabricated in accordance with ASME Sec. VIII, Div. 1 and TEMA Codes, H2 and H2S service, design conditions for shell side up to 75 kgf/cm2(g) and 290°C, design conditions for tube side up to 28 kgf/cm2(g) and 455°C.

Bids will be received until Aug 11 1993 at 3:00 p.m.

interested BIDDERS, from eligible countries, members of the World Bank Switzerland and Taiwan, China who have supplied at least three (3) of each one of the items with characteristics similar to those described above, besides complying with the other requirements provided with the Bidding Documents, may obtain this Bidding through the presentation of a bank deposit slip in the amount of a non-refundable fee of US\$ 300 (three hundred American dollars) to be made at Banco do Brasil S.A. Agência Centro - Rio de Janeiro (code 0001-9) current account no. 377.100-8 in the name of PETROBRÁS/ADM. CENTRAL, or contact us at no expense at

PETRÓLEO BRASILEIRO S.A. - PETROBRÁS SERVIÇO DE MATERIAL - SERMAT Av. República do Chile no. 65, 6º andar - sala aº 662 CEP: 20035-906 - Rio de Janeiro - RJ - BRASIL

Phone: (021) 534-1731 or 534-1745 FAX : (021) 534-3837 or 534-3836

: EDITAL No. 874-011/93

Coordenador da Commissão de Licitação

OFFICE EQUIPMENT

THAMES TELEVISION

CLOSES WEST END OFFICES

A substantial quantity of Top Quality office furniture which includes: workstations, group workstations, executive deak, storage cabinets. filing cabinets, screens, seating. Among the named product are: Westinghouse, Lucas, Plumb, Vitra, Bulos, letter and small parcel X-ray bomb detection machine.

> MUST BE CLEARED BY 28TH MAY To view ring: 081 549 9339

OBSOLETE OR REDUNDANT COMPUTER STOCK?

Turn it into each-fast by selling it to us! We purchase new and used computer equipment.
Our specialisation is in:
PERSONAL COMPUTERS APPLE MACENTOSE COMPUTERS

PERIPHERALS CALL - 0527 - 574611 Midland Equipment Brokers, Unit 8, BOW Besiness Park, Aston

FRUNTERS and other

BANKRUPT **OFFICE & SYSTEMS FURNITURE**

Stocks of Steelcase, Hermani Miles, Knott, Westinghouse. Wite Chairs, Gordon Russell Desks & Filing

TEL: 681-743 2100 ou are SELLING we also Bu

INTERNATIONAL COMPETITIVE BIDDING NOTICE

BIDDING NOTICE No. 874-010/93 PETRÓLEO BRASILEIRO S.A. - PETROBRAS has received a loan in various currencies equivalent to US\$ 260 million from the World Bank and

intends to apply a portion of the proceeds of this loan to the purchase of material and equipment for the erection of one Hydrotreatment Process Unit at Presidente Bernardes Refinery, in Cubatán - SP - Brazil This Bidding will be made onder the rules of the World Bank and its purpose is the purchase of two (2) air blowers designed according to API-619-STD with the following main characteristics:

- rated inlet capacity: 5940 kg/h
- rated suction pressure: atmosphere (sea level)
 rated discharge pressure: 2.1 kgf/cm2 (abs) driver, electric motor

Bids will be received until AUG 4 1993 at 3.00 p.m.

Interested BIDDERS, from eligible countries, members of the World Bank, Switzerland and Taiwan, China who have designed and manufactured at least three (3) of each one of the items with characteristics similar to those described above, besides complying with the other requirements provided with the Biddiog Documents, may obtain this Biddiog through the resentation of a bank deposit slip in the amount of a non-refundable fee of US\$ 300 (three hundred American dollars) to be made at Banco do Brasil S.A. Agência Centro - Rio de Janeiro (code 0001-9) current account no. 377.100-8 in the name of PETROBRÁS/ADM. CENTRAL, or contact os at no expense at the following address:

PETRÓLEO BRASILEIRO S.A. - PETROBRÁS SERVIÇO DE MATERIAL - SERMAT Av. República do Chile no. 65, 6°. andar - sala nº 662

CEP : 20035-900 - Rio de Janeiro - RJ - BRASIL Phone: (021) 534-1731 or 534-1745 FAX : (021) 534-3837 or 534-3830

Ref. : EDITAL No. 874-010/93 Att. : Coordenador da Comissaò de Licitação

MASTER IN MANAGEMENT FOR

MANAGEMENT COURSES

AUDIOVISUAL AND FILM INDUSTRIES

The Master's alm is to prepare Managers for the Audiovisual and Film Industries.

The applications to this 3rd edition are mainly reserved to young graduates in Economics and Law, who must be resident in an EEC Country.

The application forms for those who are not resident in Italy must be received by June 7th,

For further information, please contact Master

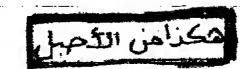
Secretary - ANICA - Viale Regina Margherita

286, 00198 Rome, Italy, tel: +39-5-8841271

BUSINESSES FOR SALE

Appear in the Financial Times on Tuesdays, Fridays and Saturdays.

For further information or to advertise in this section please contact Karl Laynton on 071 873 4780





The drugs industry's view of Alzheimer's disease has been transformed during the past two decadee. from an obscure and untreatable form of dementie to a favourite target for

esearch. Alzheimer's disease probably causes more human distress, for victims and their friends and families, than any other single disease of modern industrial society. It is now known to cause 70 per cent of all cases of dementia, turning healthy brain cells irreversibly into a characteristic pattern of decaying tangles and sticky plaques of protein. At least 10m people worldwide suffer from Alzheimer's disease.

The symptoms include progressive memory loss, inability to carry out simple everyday tasks, breakdown of personality and, after a few years, death. Alice Zilonka, aged 73, memorebly described the early stage to the UK Alzheimer's Disease Society: "My brain is like s dark thunderstorm."

Unfortunately there is no prospect of lightening her personal darkness. But there is now a glimmer of scientific optimism about Alzheimer's. Researchers bave begun to understand the biological basis of the disease, in particular the microscopic "senile plaques" and "neurofibrilary tangles" thet are the main sign of deterioration in sufferers' brains at post-mortem

The plaques recult from the sggregation of "beta-amyloid protein" molecules around the decaying nerve terminals of brain cells. These molecules are fragments of a much larger parent protein, known as amyloid precursor protein (APP). Healthy cells produce small quantities of APP (though its normal function is unknown) but in excess it may lead to toxic accumulations of beta-amyloid.

Several different factors can trigger the Alzbeimer's process. Researchers at St Mary's Hospital Medical School in London have recently discovered that some rare inherited forms of the disease are due to mutations in the gene on chromosome 21 which determines the structure of APP.

But inherited genetic defects probably account for only 10 to 15 per cent of Alzheimer's cases. Many more are caused by environmental factors triggering excessive APP production in injured nerve cells. One possible factor that used to be the subject of much interest - but is now rather discredited - is intake of aluminium. There is more evidence linking severe head injury to the development of Alzheimer's. most of the risk factors are

Despite recent advances in research, effective treatment

may still be a long way off, writes Clive Cookson

Insights pierce Alzheimer's dark

unknown. Clues may come from epidemiological studies which show that Alzheimer's is extremely rare among old people in tropical Africa but common in Afro-Americans who have grown up in the US. Reports of the recent advances in

Alzheimer's research - fuelled in the US by enthusiastic press releases from young biotechnology companies working on drugs for dementia – have aroused what many experts believe is an unrealistic public expectation that there will soon be an effective treatment

"I can't see anything within 10 years that is really going to make an impact on Alzheimer's," says Geoffrey Dunbar, director of Smith-Kline Beecham's central nervous system therapeutic unit. "Yes, there's a lot of interest in APP but we're a long way away [from an actual drug] even in that area."

Michael Traub, director of clinical neuroscience at Merck's UK laboratory, looks even further ahead. "Someone might come up with s fundamental understanding of Alzbeimer's disease within the next 20 years but that doesn't mean there'll be a drug in 20 years." he says.

The types of treatment now undergoing clinical trials can do no more than relieve temporarily some of the symptoms, particularly mem-ory loss. The most popular approach is to improve the function of neurotransmitters, the chemical switches by which cells pass messages. The main target is acetylcholine (a neurotransmitter essential for memory) in which the Alzheimer's brain is severely deficient.

A class of medicines called aminoacridines achieve this by blocking the enzyme that destroys scetylcholine in the brain. Two such drugs, velnacrine (Mentane) from Hoechst of Germany and tacrine (Cognex) from Warner-Lambert of the US, are awaiting approval from regulatory authorities on both sides of the Atlantic.

Several more are at an earlier stage of development. But they are controversial because they only work in a minority of patients - in Newcastle upon Tyne. Many improving memory slightly for a pharmaceutical and biotechnology

Predictions for dementia in the UK



٠		-	 ***	*	-		-
	_	•				•	
	-						

Year	40-64	65-79	80÷	Total 40+
1991	14,570	196,280	387,600	Sepples
2001	16,049	194,748	449,200	easer.
-2011	17,877	198740	487,200	788,917
2021	17,261	240,480	495,000	90.75

Sturce: Alcherier's Dissess Society from OPCS Squipe

year or two - and they can cause side-effects such as liver damage. In addition, several existing drugs that help other disorders of the ner-

vous system are being tested for their effect on Alzheimer's. An example is selegiline (Eldepryl) from Sandoz of Switzerland, which slows the progression of Parkinson's disease by reducing the damage done to brain cells by oxygenfree radicals.

However "the holy grail of Alzheimer's research must be to pre-vent beta-amyloid deposition," says Jim Edwardson, director of the MRC Neurochemical Pathology Unit companies are investing considerable money and skill, trying to develop drugs that would prevent amyloid deposition.

Several companies are concentrating on the enzymes involved in amyloid metabolism, seeking a way to block the destructive formation of beta-amyloid from APP. But they are a long way from clinical trials of candidate drugs.

A complementary avenue of research is to use natural chemicals known as nerve growth factors to regenerate brain cells damaged by Alzheimer's. Then, in the distant future, it might be possible to stop the amyloid deposition process at an early stage and to repair any

damage that had taken place. If effective drugs are developed for Alzheimer's disease, it will be all the more necessary to have accuthe more necessary to have accurate tests to diagnose the disease in the early stages, so that treatment can begin before serious symptoms appear. At present there are no simple diagnostic tests to distinguish even advanced Alzheimer's from other forms of dementia with different causes (such as multi-infarct dementia, the next most common form in elderly patients, in which a series of small etrokes interrupts the blood supply to tiny areas of the brain).

Only a post-mortem examination of the brain - such as Alois Alzhelmer carried out for his original description of the disease in 1907 will tell definitely whether someone suffered from Alzheimer's. But two approaches to a diagnostic test for living patients are giving promising results in research.

 Brain scans will soon be accurate enough to show the changes characteristic of the disease. For example, the Oxford Project to Investigate Memory and Ageing, based at the Radcliffe Infirmary, is using X-ray computed tomography (CT scanning) to reveal Alzheimer's-related shrinkage in part of the brain that is important in memory, the medial temporal lobe. And Nicholas Fox, an Alzheimer's Disease Society fellow et St Mary's Hospital Medical School, plans to detect early degenerative changes in the brain through magnetic resonance imaging.

 Biochemical markers may be used to diagnose the disease and follow its progress. One candidate is the level of APP in spinal fluid, lower in Alzheimer's patients (possi-bly because it is being deposited as beta-amyloid protein in the brain). Sibia, a Californian biotechnology company, is developing an anti-body-based test based on this obser-

Any company developing an effective drug for Alzheimer's would create s new world market potentially worth several billion dollars e year. But it would save at least as much as thet by enabling old people to continue living at home, instead of becoming dependent on the health care system or on family members who assume what can become a crushing physical and emotional burden by caring for them.

Above all, an Alzheimer's cure would end the agony for millions of people who end their lives with minds like dark thunderstorms. A realistic assessment suggests that people who are now young adults can look forward to an old age free of Alzheimer's.

The series will continue next month with a look at treatments for the

Trading up in Montreal

Bernard Simon examines a new service at a Canadian exchange

very stock exchange aims to make trading in its listed → securities as efficient and orderly as possible. Any market that falls short risks losing business to its competitors in list their shares on more than

The Montreal Exchange is going one step farther. Besides honing its own trading system, the exchange is in the advanced stages of a project that will give member firms access to other exchanges and provide the myriad sources of data required by a securities dealer - all on single terminal.

We see it as a normal extensioo of a stock exchange," ays Keith Gray, president of TD Green Line, Canada's biggest discount brokerage and one of six securities dealers that have agreed to install the Montreal system. The ME's project – known as Platform for Electronic Access to Exchanges (Peace) – both competes against and complements services offered by established systems integrators in the financial services industry.
One Canadian securities firm,

RBC Dominion Securities, bas shanned the Montreal project in favour of its own trading platform, which it is developing with the help of Reuters. Ken Troy, president of Reoters Information Services in Canada, says that by mixing and matching trading platforms and data feeds, securities firms can "get exactly what they need". Peace users will be able to use Reuters data and will have access, if they wish, to a Reuters trading platform through an electronic bridge.

The Peace project has its origins in the long-standing rivalry between the ME and the busier Toronto Stock Exchange. Most large Canadian companies and several foreign ones list their shares on both exchanges, with the result that competition for trades is intense. Trading volumes in Toronto are five to six times higher than Montreal, and the ME saw a risk of an even greater imbalance when the TSE unveiled plans early last year

to replace its trading floor with a fully automated trading system. "It was a cue for everyone that it was time to change," says Rene Poirier, the MR's vice-president

Peace will give traders equal access to the MR and the TSE through a single workstation. orders into Peace, which will search each exchange's electronic order book for the best deal and then match orders on the basis of price and volume. The system will also be able to split orders between the two exchanges.

Toronto's automated trading system has similar capabilities but does not integrate its software with members' other

trading and data requirements. Peace will enable traders to use the same terminal for a variety of other functions, such as historical market data, information oo a trader's limits and positions, and back-office links. "The idea is to have one physical device in front of a trader which can do almost anything," Poirier says.

A key element in the Montreal package will be a data distribution system known as Fist, which has been developed by Kapiti, a UK-based systems ptegrator. The Kapiti software is already used by, among others, Barclays Bank's global treasur divisioo and Republic National Bank of New York. "The name of the game will be that the best market will win," Poirier says. "If the people in Montreal are aggressive, they'll be in a better position to get their share of the market."

The Peace system is doe to be six initial customers in August. If it proves successful, the ME plans to add trading functions for the Vancouver and New York exchanges, both of which have several dozen listings in common with Montreal and Toronto. The next step will be to try to interest foreign securities firms that execute trades on more than one exchange. New customers would make Peace not just a technological success, but s commercial one as well.



ESTON

International Tender for the sale of

INDUSTRIAL ENTERPRISES

(EE-173) RAS "Kodu"

(Tricotage, all kinds of clothing 100,000 pieces per year; haberdashery/242)

(EE-175) RE "Balti Manufaktuur" EE0001 Tallinn (Cotton raw cloth 25 million som per year; cotton raw yarn 4,000 tons per year; cotton thread 400 tons per year

cotton fabric 3.5 sqm per year: padding 250 tons per year1,440)

(EE-177) RAS "Tekstäl"
EE0101 Tallinn
(Woollen cloth 300,000 sqm per year; woollen yarn 100 tors per year; cotton cloth 100,000 sqm per year; tricotage; carpets; felt footwear; textile haber-clashery/390)

(Woollen and half-woollen yam; textiles for furniture 200,000 sgm per year; cloth for curtains; carpets; textile haberdashery 6,000,000 im per year;542)

(EE-15) RAS "Kommunaar" EE0108 Tallinn (Shoes, boots and footwear / 2 million

(EE-161) RAS "Nakro" EE2000 Narva (Tannery, chromatized leather 150 mBlon soom per year/972)

(EE-182) Assets of "Rakvere Jalatsivabrik" (leased) EE2100 Rakvere (Lady shoes/100)

(Shoes 600,000 pairs per year/317)

(EE-183) RAS "Võru Jalais"

(EE-176) RAS "Galantex"

(EE-178) RAS "Areng" EE2400 Tartu

(EE-222) RAS "Villak"

pairs per year/1,630)

(Tricotage/118)

Enterprise number, name, location (in brackets: type of business/capacity if available/number of employees at the year-end 1992)

(EE-61) RAS "Leibur" EE0026 Tallinn (Bread and bakery products 42,000 tons per year, macaroni, noodles 4,000 tons per year, food concentrates 200 tons

(EE-62) RE "Tartu Leivakombinaat" (Bread 64 tons per day; pastry 5 tons per dayi 274)

(EE-65) RAS "Kohtta-Järve Leivatehas" EE2020 Kohila Järve (Bread 870 lons per month; pastry and biscuits 100 lons per month/ 280)

(EE-71) RAS "Tartu Öiletehas" EE2400 Tartu (Beer 130,000 hl per year; soft drinks 30,000 hl per year; mineralwater 15,000 hl per year; malt 2,800 tons per year/ 330)

(EE-91) RAS "Tartu Pārmitōöstus" EE2400 Tartu (Yeast 3,000 tons per year/48)

(EE-92) RAS "Salutaguse Pármitehas" EE3421 Rapla (Yeast, molasses 3,300 tons per year/

(EE-95) RE Tallinna Parfilmeeria ja Toidurasvade Kombinaat EE0004 Tallinn (Margarine and margarine products 5,000 tons per year; mayonnaise 1,500 tons per year; mustard 500 tons per year:174)

Paper Paper Products (EE-38) RAS "Koil" EE3420 Kohila (Paper, walipaper, note-books 4 million per year/110)

(EE-96) RAS "Mehis" EE0102 Tallinn (Packages, plastic boxes, printing/195) (EE-161) RAS "Rápina Pabertvabrik" EE2611 Rápina (Cardboard/67)

EE3600 Pāmu (Timber logging, wooden chips, sawn timber, metal frames for furnitura/502)

(EE-146) RAS "Nordek" (Timber logging, sawn timber/134)

(EE-150) RAS "Standard" EE0004 Tallinn (Furniture/812) (EE-155) RAS "Folia" EE3461 Vändra

(Wooden products, metal carcasses for furniture, timber/104)

(EE-10) RAS "Pāmu Linakombinaat"

(Linen cloth, linen products 25,000 tons per year/600)

(EE-185) FIAS "Klementi" EE0028 Tallinn (Men's wear, women's wear 540,000 pieces per year, children's wear, pillow-cases 220,000 pieces per year/1,311)

EEZUTO SMEITHER (Women's, men's and children's wear, sportswear and bed linen (215) (EE-169) RAS "Elf" EE2040 Kiviõli

Closin

by the Estonian Government Agency for Privatization of State Property

(EE-171) RAS "Virulane" EE2100 Rakvere (Woollen coats for children and women,

(EE-143) RAS "Vitjandi Metsakombineat" EE2900 Viljandi (Timber logging, sawn timber, matches, turniture/550)

(EE-144) RAS "Pāmu Metsatööstus"

(EE-148) RAS "Avinume Metsalööstus" EE2055 Avinume (Sawn timber, wooden products/112)

EE2020 Kohtla-Järve (Kitchen furniture, office furniture/340)

(EE-168) RAS "Sõtke" EE2010 Sillamäe

EE204U KIviolii (Men's wear; woman's wear 190,000 places per year; children's wear 370,000 places per year; curtains; underwear/ 451)

(EE-31) RAS Tallinna Masinatehas EE0017 Tallinn (Air coolers, oil shale industry equip-ment, reservoir tanks, welded con-struction, steelcastings, forgings/900)

(EE-121) Assets of RE "Pioneer" (leased) EE0006 Tallinn (Tools and moulds, metal caramic/277) (EE-122) RAS "Valumehaanika" EE2400 Tartu

(Cast iron and welded metal (EE-125) RE 'Loksa Laevaremonditehas' EE3020 Loksa

(Shipbullding and ship repairs, steel constructions/587) (EE-208) RE "Eestienergomontaaz" EE2000 Narva (Assembling of machinery/179)

(EE-224) RE "Shtamp" EE0010 Tallinn (Carbide tools/93)

(EE-127) RE "Tööstuseparaat" EE0107 Taliinn EED107 Tallinn
(Electromagnetical water meters 3.500 pieces per year; calorimeters 50,000 places per year; position indicators, switches 170,000 pieces per year/540)

(EE-128) RAS "Volta" EE0110 Taltinn (Dectric motions 100,000 pieces per year; electric radiators 70,000 pieces per year/1,584) (EE-138) RAS "RET" EE0100 Tallinn (Electric and electronical parts, radios, tape recorders, turntables, foudspea-kars/1,151)

(EE-113) RAS "Flora" EE0006 Tallirm (Household chemicals, detergents, (EE-114) RAS "Polumeer" EE0109 Tallinn (Plastics tabrication, hous

BALTIC SEA Helsinki ▲ 82 km → 315 km St.Petersburg TALLINN Rakvere ◆ Stockholm 380 km Johvi Siliamäe Kivičii Kohtia Järve Narva Avinum **●Vändra** Lake Pelosi **ESTONIA** Viljandi RUSSI Pärnu Tartu LATVIA

(EE-116) Plant "Fertiliser Complex" of RE "Pôlevidvikeemia" EE2020 Kohtla-Järve (Armonia 195,000 tons a year, urea (Ammonia 195,000 tons a 180.000 tons a year/960)

(EE-33) RAS "Tarbeldaas" EE0110 Tallinn

(EE-159) RAS "Tallinna Klaverivabrik" EE0004 Tallinn

(EE-178) RAS "Uku" EE0001 Tallinn (Souvenirs from textiles, metal, wood, leather, national costumes/574) (EE-199) RAS "Viru Geoloogia" EE2020 Kohtle-Järve (Geological and hydrogeological surveys, drilling/45)

(EE-200) RAS Tartu Geoloogia EE2400 Tartu (EE-215) RAS "Tehnoprojekt" EE0105 Tallinn

(Engineering, consulting/42)

(EE-220) RAS "EPRE" EE0102 Tallinn (Construction work, engineering(89)) (EE-280) RAS "Hotel Viru" EE0105 Tallinn (Hotel 428 rooms, 800 beds; restauran 950 places [leased land 12,750 sqm)/ 706) **Tender Conditions**

In accordance with its legal mendate, RE East Erastamisettevine (Estorsan Government Agency for Privatization of State Property, "EERE") intends to self the atominentioned enterprises by means of a tender in the following menner:

a) bids for a state owned joint stock company (organized as "FIAS" under Estonian law) must be for the b) bids for a state owned enterprise (organized as "RE" under Estonian charter) must be for its total

c) beging the plant must be for its total assets (e.g. buildings, lessehold, equipment and inventory), with inventory lineity to be valued as of the time of acquisition.
d) bids for assets or parts of an enterprise must be for a separable unit of a RAS, RE or plant, with inventory finally to be valued as of the time of acquisition.

In deciding among the bids, EERE will take into consideration, among other things, the bid pace, the business plan submitted, promises to maintain or create jobs, and pledges to invest, each of which will be considered part of the bid. Upon signing a contract, the successful bidder will be required to post a bond in order to guerantee these pledges.

Bids must be in writing and should be submitted in a sealed envelope marked only with the name of the emergrise or plant for which the bid in submitted. 6. Bids must be received at EERE, Rávaia 6, EE0105 Tatinm, Estonia, no later then 2:00 p.m. (local time), on Juty 8, 1993 (the "olicelag data"). Bids will thereafter be opened immediately. Bids must be denominated in Estonian Kroon (ERK) or Deutsche Mark (DM), and must remain valid for one hundred and reventy (120) days after the closing data.

7. Sids must be accompanied by a bond of five (5) percent of the bid price in the form of an invevocable bank guarantee walls (or one hundred and hiventy (120) days after the closing date. The bid bond must be payable on first demand and will be forfelded if the bidder states to hold its bid open for the nequinal period or refuses to sign a contract in accordance with its bid.

EERE will decide on the bide within one hundred and brenty (120) days after the closing date. Bidders will be invited to present their bid within this period. EERE is not bound to accept any bid and may accept a bid other than the highest. Several bidders for one and the same object will have on additional opportunity to improve their bid. All other criteria being equal, ERRE will conclude a contract with the bidder that offered the highest bid price.

sing the tender and payments will be carried out according to applicable Es EERE (RE Sesti En

Office hours for the EERE are Monday through Friday front 9 a.m. until 4 p.m. (local time).

For further information (enterprise profile, data on Estonia, visit authorization) please contact:



RE EESTI ERASTAMISETTEVÕTE

(Estonian Government Agency for Privatization of State Property)

Rävala 6 • EE0105 Tallinn/Estonia

+358-49-106103 +372-2-454460

Fax +358-49-106100 +358-49-106101

+372-2-454490 +372-2-691606 +358-49-106102 +372-2-454450

Limits on postal monopoly



given exclusive rights by national laws will be open to competition in areas which do not threaten their core EUROPEAN traditional husi-

ness or their economic viability following a ruling by the European Court of Justice last week.

The court clarified the position of legal monopolies under EC competition isw in e case involving the Belgian postal service. It said that e business which held a dominant position because it was graoted exclusive rights under national law did not automatically breach EC competition rules.

Member states, however, were under a duty not to adopt or maintain measures which weakened EC competition rules.

In the context of businesses entrusted with services of general economic interest, EC competition rules still apply so long as they do not interfere with the provision of

Belgium's postal monopoly law gave exclusive right to the Belgian postal authority to collect, transport and deliver post in Belgium. Criminal proceedings were brought against a Mr Corbeau for providing a service in Liege.

The Liege court sought guidance from the European Court on the compatibility of the postal monopoly with the Rome treaty's prohibition of abuse of e dominant position and the rules dealing with the application of competi-

tion law to the public sector. The court ruled that the core service provided by the postal authority was a service of general economic interest and thus EC competition rules would not apply to the extent necessary for the achievement of the core postal service. However, It was necessary to establish to what extent the competition rules must be excluded for that purpose of general economic toterest to be achieved.

Because the Belgian postal monopoly needed to remain economically viable - by cross-subsidising unprofitable with profitable sectors - it was justifiable to prevent outside competition from those who only sought to provide a competing service in profitable

Legal monopolies sectors of the market. Competition could be permitted when competing services were specific, such as meeting particular requirements and therefore distinguishable from the core postal service.

the crow flies.

It also represents an enormous

loss of copyright income for authors

and publishers, including lost revenue from the export of intellectual property of British rights holders.

Copyright, which is just one form of intellectual property, is estimeted

to account for 2.5 to 3 per cent of

Attempts in the early 1980s by the

Copyright Licensing Agency (CLA),

Britain's organisation for licensing

the reproduction of copyrighted

material, to reach agreement with

industry for such e scheme came to

nothing. But following success in

establishing licensing schemes for

schools and libraries, and changes

in the lew made by the 1988 Copy-right, Designs and Patents Act, the

CLA was encouraged to make e fur-

ther attempt to reach agreement

with business. A joint CLA/Confederation of British Industry taskforce

was set up in 1989 to examine the

issue. Next week, after almost three

years of discussions, the CLA will

launch a copyright-licensing

scheme for business, though com-

plete agreement proved illusive and

the CBI did not endorse the plan.

is to become available from June 2, and that means industry will have

to come to terms with paying for

something which it is used to get-

ting for free. Those companies

which photocopy from books and

journals but do not become licensed will face an enhanced risk of legal

One of the key issues faced by the

CLA/CBl taskforce was bow to

determine the volume, value and

variety of copying by husinesses

without imposing unreasonable

As an alternative to a hlanket

licence, the taskforce looked at the

merits of a "transactional licence".

where copies are cleared by the

copyright owners as and when

needed. Both the CLA and the CBI

felt such a scheme would be too

difficult to manage compared with a

argued that an unrestricted blanket

licence could have a very damaging

effect on primary sales of copy-

in the end the taskforce settled on

two-tler system, Part A of the

CLA's plan allows multiple copying

Above that number the licence will

up to a certain number of copies.

righted works.

hlanket licence. But the CLA

administrative costs on companies.

action by copyright holders.

Nevertheless, a licensing scheme

the UK's gross domestic product.

Supplementary or improved services, such as home collection or greater reliability within limited areas, would not threaten the eco-

nomic viability of the service. Nevertheless the ECJ left it to the national court to apply these criteria to the particular facts. C-320/91: Taul Corbeau, ECJ FC, 19 May 1993.

Spanish aid decision overturned

William Cook, a UK steel castings group, has won its appeal against the European Commission's rejection of e complaint about state eid granted to a Spanish competitor.

The Spanish government granted e subsidy to Piezas y Rodajes SA for a foundry investment programme in Teruel province. Further subsidies were granted by various local authorities. William Cook complained to the Commission that the edditional aid was unlewful.

The court declared the appeal edmissible as William Cook was a party conceroed by the procedure which the Commission should have initiated, even though the Commission denied there were any big distortions of competition

resulting from the contested aid. The court repeated its definition of parties concerned in this context as persons, undertakings or associations whose interests might be affected by the provision

The court overturned the Commission decision because it had not initiated the procedure provided for by the treaty when It had difficulties in assessing the compatibility of aid. The court said the Commission may restrict itself to a preliminary examination when taking a decision to allow aid, only if it can satisfy itself from this that the aid is compatible. Otherwise, it is duty bound to obtain all opinions and mitiate the full procedure.

C-195-91: William Cook Plc v Commission, ECJ FC. 19 May 1993.

BRICK COURT CHAMBERS. BRUSSELS

The photocopier photocopying of extracts from hooks, periodicals and journals by husinesses in the as money-spinner UK. A pilot study in 1988 showed that the annual use hy commerce and industry of copyrighted material is about 1.7bn copy pages. That is equivalent to a pile of copler paper 107 miles high, the distance between London and Nottingham as

Robert Rice on a licensing scheme which seeks to make UK companies pay for reproducing copyrighted material

Tariff for business

Chemicals; pharmaceutical products

Research and development

ing of rubber and plastics

Medical, health and veterinary services

Cost mining and manufacture of solid fuels

Manufacture of other metal goods

Mechanical angineering Dectronic and electrical engine

Manufacture of cars and parts

Office machinery and data processing equipment

faculacture of other transport equipment; aurospace

Public administration; regional and local government

Manufacture of paper and paper products; printing and publishing

liness services; legal, accounting and technical services

Nuclear first production





CLA's: Cofin Hadley

the CLA's Rapid Clearance Service (Clarcs), e telephone-accessed database designed to handle individual requests to copy specific titles outside the scope of the basic licence. Clarcs fees will be payable on a

The CBI wanted to make Clarcs available separately from a basic Part A licence, but the CLA would not agree, arguing that it is uneconomical for small transactions.

The basic licence will allow copies to he taken from publications within the CLA's remit. This includes all books and journals published in the UK except works in categories such as newspapers. maps, exam papers, printed music and industrial house journals.

The CLA is also able to license

copying from works published in other countries where reciprocal agreements exist between CLA and similar overseas bodies such as the US Copyright Clearance Center.

The licence allows husinesses to make up to nine copies of one article from a single issue of a journal, or one chapter of e book (or up to 5 per cent of the publication if this is greater), in connection with any single occasion (such as e meeting) or for any single purpose. Copies can be distributed freely within the licensee's business but external distribution is prohibited.

All other classes of economic activity

Source: Copyright Licensing Agency

Licence fees will be calculated by reference to the number of "profes sional employees" within a company, defined as all staff except clerical personnel and apprentices. No price tags have been set out because collective price-fixing agreements are outlawed by competition rules. Instead the taskforce has proposed a basis for a tariff from which a company's charges

can be negotiated. As the table shows, the tariff of fees proposed by the CLA will vary for different sectors of industry. This is to reflect the fact that the vaiue of the material copied and the volume of copying will vary from sector to sector. According to Mr Colin Hadley, CLA's chief execu-

the earliest.

tive, the experience of foreign copyright licensing agencies, particu-larly the CCC, makes it possible to predict sector patterns in photocopying. Industries with intensive research and development functions such as pharmaceuticals and energy are by far the heaviest copiers.

Armual fee per professional employee

£12.60 olus VAT

Nevertheless, if companies are going to feel confident that the licence fees paid are reasonable and the CLA confident of a fair distribution of licence income to individual copyright holders, detailed measureof copying will be needed.

It was this issue which proved the main sticking point for the taskforce. Recording the number of copies actually made was rejected by the CBI as too cumbersome. Eventually, it was agreed that companies taking out licences would carry out an "information audit" once a year, the principal component of which will be a list of periodicals taken by the company. This will give an indication of the range

PEOPLE

Hay Davison's week for chairmanships

could have been taken. Licensees will also have to complete an annual return, the contents of which were not agreed by the taskforce. The CLA acknowledged that information audits of companies without a formal library or central information centre were impractical. This is likely to be taken into account when deciding what information should be

included in the annual return. The issue of confidentiality of information gained through the audit was also of concern to the CBl. If, for example, information about the type of material being copled by a pharmaceutical company fell into the hands of a rival lt might provide invaluable information about lines of research being pursued. But the CLA has assured the CBI that the confidentiality of any information it requests through the audit will be guaranteed.

Will industry embrace the CLA's licence scheme? A great deal may depend on the extent to which companies feel they need to be licensed. Many of them believe their current copying activities are permissible as "fair dealing" under the terms of the 1988 Copyright, Designs and Patents Act. Fair dealing is not defined by the act but is restricted to certain purposes (for example, single copies for research and private study by individuals), and it must be fair both to the user and to the copyright owner.

Mr Hadley says fair dealing provides industry with "a convenient excuse to justify what currently happens". But multiple copying is. unlikely to qualify as fair dealing, he says, and there is some doubt as to what extent routine single copying by individuals in businesses is likely to pass as fair dealing.

If industry continues to assert that it is, the issue may have to be tested in the courts, he adds. A recent landmark decision in the US involving Texaco found routine single copying by individuals in businesses was not "fair use" primarily because the copies were made in furtherance of Texaco's commercial nurroses and the copying was not fair to publishers as it deprived them of subscription income. Lawyers predict the English courts will adopt a similar line.

But short of legal action, the success of the licence scheme may depend on how successful the CLA is at selling it to businesses. The sales pitch will be concentrated on the heaviest copiers, as well-as to law firms, which, if persuaded of the scheme's merits, are likely to encourage their corporate clients to become licensed. "We won't neglect the publishing industry either," says Mr Edward Barrow, the CLA's licensing officer. "If it's going to work, our clients have to be seen to of publications from which-copies be taking the medicine too."....

THE COST OF CORNFLAKES IN KUWAIT...

HANDLING PRESSURE IN TOKYO...

TAX AVOIDANCE MADE SIMPLE...

... Every month, "Resident Abroad" gets to the heart of expatriate concerns. **Your first 2 copies are FREE**

hatever you need to know, it pays to consult the experts.

Because the dey-to-day reelities of living and working ahroad can fall hundreds of milas short of your expectations - unless you're prepared end protected.

Resident Ahroad addresses the key issues concerning expatriates.

From tax advantages of offshore roll-ups, to overseas investment opportunities - from market observationa, to portfolio recommandations.

Resident Abroad tacklea tha facts and figuraa. It providaa ralevant, impertiel edvice on your financial concarns every month.

But if finance is our main concarn, it's not our only one. We give schooling and

educational updates, review property at home and ehroad and look at the day-to-day problams that expetriates face, before and after they have moved.

The isauas are topical - the

Comp	arative	Livin	g Cos	ts
item	United (Gugdom	(£1 uDm 2.03)	Kuvat (C1 =0.46 direct)	United States (C1 = \$1.72)
Bread: while lost 1kg	20.71	£1.50	£1.52	£1.44
Breaktast Cereal 900g	£1.03	£1.78	£2.77	£1.48
Red Wine: (French 8.6.75dl)	£4.27	23.66	-	£5.99
Domestic help: part-time 1 hour	€4.27	25.26	53.03	€6.42
Petrot: 1 litre	20.50	£0.53	20.10	50.21
Restaurant Dinner (1 person)	£20.1\$	£15.71	£19.21	£16.80



With your special Trial Subscription, you can now receive your first 2 issues of this information-packed megazine, absolutely frae of charge!

Just complete and return the coupon below, or fax it on 081-681-0753.

Subscriba to Rasident Abroad today end protect your future interests at home and abroad.

FINANCIALTIMES

YES I would like to take out an ennual subscription to RESIDENT ABROAD and take advantage of your special introductory offer of 14 issues: the first 2 issues are free.

1 £42 UK (inc. N. Ireland) F49 FUROPE

£56 NORTH AFRICA & MIDDLE EAST AIRSAVER £64 NORTH AFRICA & MIDDLE EAST AIRMAIL £59 REST OF WORLD AIRSAVER £78 REST OF WORLD AIRMAIL

MONEY BACK GUARANTEE

If, at any time, you wish to stop receiving Resident Abroad, simply cancel and we'll refund the unexpired portion of your subscription.

☐ I enclose a chequa payable to F.T. BUSINESS ENTERPRISES LTD. ☐ Please debit my credit card: ☐ Amex ☐ Visa ☐ Access ☐ Diners Expiry Date _____ Mr/Mrs/Ms _ Title/Position Company/Private address

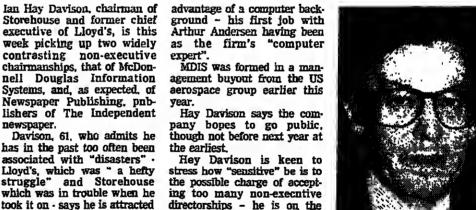
Nadonality Please return to: Resident Abroad, Subscriptions Dept., Central House, 27 Park Street, Croydon, CRO 1YD, UK., Fax No.: CB1 681 0753. Registered office: Number One Southwark Bridge, London SE1 9HL. Registered in England No. 990896

expert". MDIS was formed in a mancontrasting non-executive chairmanships, that of McDonnell Douglas Information agement buyout from the US Systems, and, as expected, of aerospace group earlier this Newspaper Publishing, pnblishers of The Independent Hay Davison says the com-

newspaper. Davison, 61, who admits he has in the past too often been associated with "disasters" · Lloyd's, which was " a hefty struggle" and Storehouse which was in trouble when he took it on - says he is attracted by MDIS as " a good-looking little company" that is young

week picking up two widely

and growing. He points out that he has the



other offers to make time to do the MDIS job.

ment about his chairmanship of The Independent, where he has been a non-executive director since its inception. et a board meeting on Thurs-

He replaces Sir Ralf Dahrendorf, who recently resigned partly because he opposed plans to buy The Observer, but also because of disagreements about the management style of Andreas Whittam Smith, who combines the role of editor and chief executive.

Hay Davison claims to have: been in favour of The Observer

acquisition "It would have been very helpful", he says. See Observer

Golden days at Vauxhall as appointment raises status York, Golden, 46, eppears to

General Motors since 1989, will bring an enhanced status to Veuxhall, the group's UK sub-sidiary, when he takes over as chairman and managing director on June 1.

Golden was appointed a vice-president of GM, the world'e largest vehicle maker, n November last year. He will be the first GM vice-president to head Vauxhall for a decade. After many years of losses, Vauxhall turned the corner in the latter 1980s and last year achieved e record operating

profit, despite the recession in Vauxhall has become one of GM's main profit centres, giving it an edded status in a corporation that has been suffering record losses in North

America. The UK has also been attracting GM investment and is hecoming an important source for components purchasing for GM's operations in continental Europe.

As GM treasurer in New

in Zurich. As executive vice-president responsible for all of GM's international operations, Hughes is now Golden's immediate boss. Golden began his General

Motors career in 1970 in the

treasurer's office where his responsibilities included over-

board of Chloride, CIBA-Geigy

and Cadbury Schweppes - and

claims, as e consequence, to

heve turned down several

have been on the fast track at

Of the five key executives at

the top of GM today, four are graduates of the treasurer's

office, including Louis Hughes,

president of GM Europe, based

seas financial analysis. He later had various financial assignments there, at GM's headquarters in Detroit, as well as et the former GM assembly and Fisher body divisions, before returning to New York as assistant treasurer in

With the Vauxhall appointment, Golden is being given his first operational experience overseas, usually e precursor to bigger things at GM.

Late return to first love

A B "Sandy" Marshall, 68, e former chief executive of P & O, is one of the great survivors of Britain's declining shipping industry. Hence, he should have little difficulty stepping in to the number two slot at the Chamber of Ship-ping, caused by Les Atkinson's sudden departure for Singa-

Marshall takes over as vice-president of the Chamber of Shipping et the end of the month from Atkinson, the chairman of BP Shipping, who has has been promoted to head of BP's Far East operations. The latter's move to Singapore. which followa e management reshuffle at BP, left the chamber with e problem of finding a well-known industry figure willing to take on the mantle of president from the current incumbent, Edmund Vestey.

Traditionally, the president of the chamber, which represents the owners of Britain's 12m dwt shipping fleet, serves a one-year term and his successor is the vice-president. Marshall worked



P & O for 32 years before losing his job as chief executive after e hoardroom disagreement over P & O's strategy for survival. He became chairman of Bestobell, Commercial Union and vice-chairman of Boots. But he kept some link to the sea through chairmanship of The Maersk Company. His "first love" has always

been the sea and he is looking forward to his new role.

Insurance moves

■ Laurence Smith, formerly marketing services director of the pensions and managed funds subsidiary, has been appointed group marketing manager at LONDON AND MANCHESTER GROUP.

■ Alan Fleming, a director of lCl's in-house insurance Group, is being seconded for two years to be executive director of AIRMIC, the Association

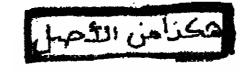
of Insurance and Risk Managers in Industry and Commerce; his appointment follows the retirement of Roger Miller. ■ Lorraine Adlam has been appointed a director of SPRECKLEY VILLERS HUNT, the managing agents for Lloyd's Syndicate 1007.

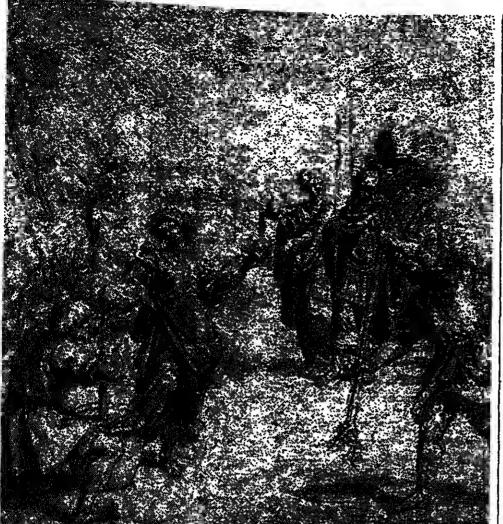
■ Terry Taunton has heen appointed executive chairman of JAMES HUNT DIX (INSUR-ANCE) on the retirement of

■ Ted Baillie has been eppointed md, David Hall director of sales and marketing, Philip Kennedy director of product development, and Mika Rush director of operations, of MINET SELECT. Anthony Fortescue is appointed chairman of BOWR-ING Marine, which amalgamates Bowring Marine & Energy, Bowring Marine Reinsurance Brokers (London) and the marine business of Carpenter

Bowring. Christopher Keville, past joint chief executive of Bowring Aviation, is appointed chief executive; Roger Tyndall becomes chief executive of its marine & energy insurance division, and Christopher Keville also chief executive of its reinsurance division.

■ Robert Richards has been appointed to the board of LIVERPOOL VICTORIA FRIENDLY SOCIETY; Ken





"The Cultivation of Lemons in Genoa"; an engraving after Guido Reni

The 'culture of curiosity'

looked at the world with the true eyes of a lynx". His biographer could hardly have chosen an epitaph that would have pleased Cassiano more. In an age distinguished by voraciously inquiring minds, Cassiano stands out as a man of boundless curiosity. Patron of Poussin, close friend and literary midwife to Galileo, correspondent of scholars and dilettantes thronghout Europe, Cassiano is a figure who really

repays discovery. The Paper Museum of Cassiano dal Pozzo (1588-1657) at the British Museum does not quite measure up to the fascination of its subject. That would require an altogether more ambitious exhibition. To get the measure of Cassiano, you definitely need the catalogue (published by Olivetti £18.50).

Cassiano and his circle stood at the centre of the scientific revolution. There was, of course, no sense of any tension alone of "two cultures". Cassiano, a lifelong bachelor, devoted himself to Art which led him to subjects as diverse as science, museology, collecting, geology, art-history, bot-any, architecture, archaeology,

libraries, even sport. Cassiano was born in Turin in 1588, but the family then moved to Pisa, a highly cultured city which was, of course, Galileo's home. After his father died, he established himself in Rome in the service of Cardinal Barberini. He lived with his younger brother, who helped him amass a great library and a collection which ranged from flamingoes to antiquities and Pousein's

"Seven Sacraments." Many an aristocratic collector could boast a more impressive Wunderkummer. Cassiano was only ever comfortably off. But his interest in science was on an altogether more profound level than that of the

he was elected to the select, and in some circles highly suspect, Academy of Lynxes, the ancestor of all modern scien-

Whatever the subject at issue, nature, art or the man-Cassiano held that exact visual records were vitally important. Aristotle's and Theophrastes's verbal descriptions were no longer adequate for people with inquiring minds.

ral history is well represented, with two of the earliest microscopic studies ever made and

Patricia Morison admires Cassiano dal Pozzo's Paper Museum

striking studies of animals, birds, plants, minerals, fungus and petrified wood. Some of these were for books which Cassiano commissioned from protégés - he preferred to act as literary midwife rather than publish himself.

Delectable watercolours of citrus fruit by Vincenzo Leonardi (one of few identifiable artists working for Cassiano) were preparatory drawings for an astounding compendium on the citrus fruit, the Hesperides. Its author, Cassiano's friend Ferrari, was a typical polymath of the time. He was a Jesuit, Professor of Hebrew in Rome, an elegant poet, author of a Syriac grammar, and he planned the Barberini garden. One of the most attractive drawings on show is Guido Reni's allegorical scene of Genoa watching as Daedalus grafts a lemon-tree.

Cassiano's plan was that his Paper Museum (Museo Carteo) of some 7,000 drawings would ultimately be published as the

ancient world. Artists were commissioned to copy objects such as mosaics, armour, reliefs, gems, statuary, inscriptions, and manuscripts. His main interest was not so much the aesthetic quality of the

Cassiano's interest in natu-

most precious manuscripts from antiquity, the Vatican Terence and Virgil, for a year so that his best artist, Pletro da Cortona, could copy scenes. Cassiano also collected older prints and drawings. Like many 17th-century collectors, he liked plans of fortifications and scenes of warfare. His collection of architectural drawings were a painful reminder of how much contemporary archi tects had departed from classical and Renaissance mod in 1762 the Adam brothers

object copied, hnt what it

showed about the world of the

By no means all the draw-

ings are good, but they had to meet Cassiano's criteria of being informative. The Paper Museum was a project which

met with approval in the high-

est circles. Cassiano was

allowed to borrow two of the

siphoning off four magnificant books of architectural drawings for their own purposes. The Royal Collection did not keep all its Cassiano drawings hut still owns the largest share. An international committee has been coordinating research into Cassiano, sponsored by Olivetti - a wholly exceptional gesture of corporate support for scholarship. The exhibition catalogue is volume four of the Quaderni Puteani, absorbing essays on Cassiano. Eventually the Paper Museum is to be pub lished in its entirety. The current exhibition is an intriguing dip into the 17th-century intellectual world and its "culture of curiosity".

At the British Museum until August 30

Summer festival time has arrived in earnest and our critics report on various weekend activities in Bath, Brighton and London

Holloway's Fantasies

wo anniversaries, of Grieg at 150 and Robin Holloway at 50, profor this year's Bath Festival, which opened on Friday. The Grieg celebration ranges widely across the plane works, chamber music and songs, as well as generating its own sec-ondary theme in the music of Schumann, such a potent influence on the young Norwegian and vitally important to Hollo-way's creative make-up too. Holloway's fiftieth year has already provided the opportu-nity to revive two of his most fascinating scores of the 1970s - the BBC Philharmonic included movements from the deliciously extravagant Domination of Black in its Cambridge invitation concert ear-lier this year, and last month at the Festival Hall the BBC

Symphony Orchsetra played

again Holloway's Second Con-certo for Orchestra, perhaps his finest work to date. Though there is one brand-new piece, a Partita for solo born, in the Bath celebration it ranges back nicely across two decades of Holloway's output, inevitably concentrating on the smaller-scale pieces but nevertheless promising a nicely rounded portrait of one of Britain's most intriguing and often frustrating composers.

The Nash Ensemble's programme on Saturday evening included two Holloway works. The Concertino No. 5, Summer Music, from 1991 still seems to me a peripheral piece, but the 1971 Fantasy Pieces Op 16 again emerged as powerful and

(together with the orchestral Scenes from Schumann and the instrumental Evenings with Angels) that first established the distinctive tone of Hollo-

The Fantasy Pieces take Schumann's Op 24 Liederkreis as their starting point. As Holloway suggests they were delivered here with a performance of the Schumann song cycle (by an urgent, slightly over-insistent Neil Mackie) placed between the Praeludium and the remaining movements. The result is cometimes remarkable, sometimes mis-judged; the coarse-grained scoring gives a lurid cast to some of the material as Hollo-way takes up Schumann's it, refracts it through his transformational prisms. Given an almost Wagnerian opulence nary new resonances, the harmony unexpected implications; the expressive world seems immeasurably broader.

Twenty years on some of Holloway's ideas have become commonplace. But in the context of the late 1960s his boldness in recognising what he wanted to do in his music and the source of his creative brave. His subsequent development has not always sustained that early enterprise, but works like the Fantasy Pieces demonstrate how potent and invigorating his imagination

The Nasb performences directed by Martyn Brabbins were spry and incisive. They also included Oliver Knussen's Songs without Voices, four por-tions of lyrical concentrate first heard in New York and Aldeburgh last year, and the premiere of a horn trio by Mark-Anthony Turnage, commissioned by the Bath Festi-val; At Close of Day is dedicated by Turnage to the memory of Charles Groves. It is a lucid, uncomplicated piece: an expreseive dialogue between violin and horn ie joined by a halting, out-of-kilter piano line, worked to a weighty climax and allowed to trickle away again. The effect is direct and impressive.

Andrew Clements Bath Festival continues until

Moscow comes to Brighton

oscow Chamber Opera'e British dehut this weekend has been a highlight of the Brighton Festival, its first two programmes confirming the company's reputation as a lively and versatile music-theatre group. Formed 21 years ago hy the veteran producer Boris Pokrovsky, Moscow Chamber Opera has spent much of its working life in a suburban basement theatre, and its repertory, which includes works frowned on by the former anthorities, has enhanced its "underground" status.

It was neatly appropriate that the visit should have opened with a work full of old Russian religious symbolism. The Rostov Mysteries. A Nativity play framed by an allegorical episode and epilogue presenting the conflicting forces of Good and Evil, it was first performed in a Rostov seminary in 1702, and revived about 10 years ago. Friday'e performance in St Martin's

Church was given on a rough wooden platform stretching down the nave, which brought the vivid spectacle close to the audience. Moscow Chamber Opera's singing-sctors were wonderfully communicative in their varied roles, maintaining a well-blended ensemble without conductor or accompaniment. Among the many characterful performances Yvegeny Boinchevsky's Astrologer, Marina Zhukova's Rachel and Alexey Mokhalov's chilling, blood-red Death were outstanding.

More conventional, though hardly familiar, territory was reached in Sunday's triple bill at the Roedean Theatre, which began with Shostakovich's tor-so-version of *The Gamblers*. This Gogol setting occupied the composer during 1942, but its anti-heroic story of a cardsharper was perhaps too flippant for wartime Russia, and be abandoned it; what remains of it lay unstaged until taken up hy Pokrovsky in 1989.

The company revealed its thoroughly Russian approach to drama. This was satire hy overstatement, with emphasis less on singing or highly-produced stag-

ing than on expressive interaction between performers. Notable among these were Boris Tarkov in the central role of the gambler Ikharyov, passionate in his aria addressed to a pack of marked cards; Nikolay Kurpe, who as Krugel disclosed a line in silly walks and twitches; and as the servant Gavryushka Valery Belykh, whose gravelly bass was beard in a balaika-accompanied folk song. The score is brittle; Anatoly Levin, in the pit for tha evening, conducted it capably.

Next came the first British performance of Shostakovich's Antiformalistic Gallery, a private, anti-Soviet joke con-ceived at the time of the notorious 1948 Zhdanov decree on music - its existence was revealed by the composer's widow only in 1989. In a gibe at the Composers' Union, which declared that music should be optimistic and entertaining, a motley crowd of "musical functionaries" are addressed in banal tones by caricatured huntraries,

angels' wings, was hilariously mocked by Vladimir Khrulev, and the pokerfaced "KGB" danced in time to a figure (Eduard Akimov) representing Khrennikov, the much-decorated, much-hated Soviet Kapellmeister. Westerners can only scratch the surface of the piece, but its zestful performance made merely watching it seem an act of sneaky subversion.

Mikhail Kisiyarov's production of Stravinsky's Renard was anti-climactic, illuminating little a piece most commonly heard in concert performance. Biting satire appears to be Moscow Chamber Opera's strength: there is a chance to sample more of it in the company's acclaimed staging of Shost-akovich's The Nose this week.

John Allison

Moscow Chamber Opera at the Brighton Theatre Royai: The Nose (Wed, Sat); a Mozart-Salieri double hill

The gospel according to |'The Fairy Queen' The Five Blind Boys

ondon Jazz Festival Free jazz aodiences seem to have an air of resigned purpose to them. In the bar beforehand, bearded men holding pints greet one another grimly as though preparing psychologically for that parachute drop behind enemy lines or shooting whitewater rapi will inevitably claim a few of them. "Seen Bill?" "Nope. Saw him at Spontaneous Music bought a large part of the Ensemble last month and Paper Museum for George III haven't seen him since." They are survivors and they know they are all in it together at least until they go the way of all flesh - to Radio 2.

The body count from Saturday's free jazz ordeal at the Bioomsbury Theatre wiil reveal the diehard ranks to be thinned but no less resolute. An entire afternoon of London'e most free spirits was capped by the appearance of the testing reeds of American Anthony Braxton - mathematician, chess demon and musical experimentalist. Pursued by the staccato, attacking plano chords of Marilyn Crispell, Braxton darted from alto, soprano and sopranino saxes clarinet, contrabass clarinet and flute, music charts from both musicians spilling to the floor around them.

It is said that Braxton often uses formulae and mathematical calculation to compose a framework for his challenging improvisation. That does not mean to say there are any obvious points of reference and this work, delivered without introduction or explanation (if there is any) tumbled out in a : show storm o and down tempo. Musically, however, the performance was

The London Jazz festival ended with dancing in the aisles

as evocative as a book of logarithms. Abstract jazz, like all "modern" art, is not easy and perhaps all the more rewarding for thet when it does actually move the emotions. The trouble with Braxton and Crispell's manic exchanges this night was that it was not involving, had no heart and did not

Which is precisely what the gospel of The Five Blind Boys of Alabama, closing the London Jazz Festival on Sunday, is all about. Formed 50 years ago

the Blind by Clarence Fountain, who sings a sanctified bass, and on the road ever since, the Blind Boys' honeyed a cappella harmonies are a soothing secular balm. Joined by a rhythm section, elderly lead tenor Jimmy Carter, who at the climax of the show was crowd by his minder, shares a similar bag to James Brown. "We didn't come to England to find God," intoned Fountain,

who like the other greying Boys was wearing a sharp double breasted suit and shades, "We brought him with us!" Their combination of belief, unashamed sentimentality and showmanship is irresistible and the congregation on Sun-day enccumbed entirely. The saintary advice of a country and western tinged "I'm not that way anymore", which concerned gambling and drinking, left bottom lips trembling while the blues shouting of "Brother Moses Smote the Water", had them dancing in the aisles. If Braxton oceds reminding of what music ought to do he should order a copy of the Boys live album Deep Ricer (Elektra 7559

Garry Booth not have been. Singers need a firm directorial hand if jokey

in Covent Garden

o much amusement has been caused by the production of Mozart's masonic opera The Magic Flute in the Freemasons' fall that people do not seem to have noticed how apposite are some of the other venues occupied by the BOC Covent Garden Festival. Ingenuity has certainly made the most of the

In the very centre of the festival's catchment area lies a Wren masterpiece - St Paul's Church, with its rear portico (or is it the front?) facing directly on to the piazza. What better to feature there than the music of Purcell, Britain's leading Restoration composer? Ideally, one might have had some of the choral music, at present being recorded complete for the first time, but that looks as if it will have to wait for

another year. The work thet was presented on Sunday was the semi-opera, The Fairy Queen. The Gabrieli Consort under Paul McCreesh performed it almost complete (a couple of numbers, including the Plaint, were omitted, presumably on the grounds that they were added later). Some acting of a sort was invited, mostly in the lighter es, but probably should

hides rather took over and the atmosphere was of a more plebeian entertainment than be true to Purcell's day. The drunken poet reeled in the aisles: Corydon and Mopsa camped up their duet some Brocq's impersonation of Benny Hill impersonating a suggestive blonde with nigtails revealed hidden taleots. McCreesh and his musicians supported them all with lively

It is, however, only a year since William Christie performed The Fairy Queen at the Barbican, and his subtle and expressive way with the music was the more rewarding. He also had the better singers, although the bass Peter Harvey made such a fine job of his Winter solo as almost to tip the halance the other way. The linking parration was provided by Simon Butteriss, a couple of sly asides wittily reminding us that this is a festival which is on the ball.

Richard Fairman Sponsored by Lanson Champagne; Covent Garden Festival spousored by The BOC Group

INTERNATIONAL

AMSTERDAM

Concertgebouw Tomorrow: Heinrich Schiff, Ton Koopman and Jaap ter Linden play chamber music by Vivaldi, Geminiani and Bach. Thurs: Frans Brüggen conducts Orchestra of the 18th Century in works by Haydn, Mozart and Schubert. Sat: Edita Gruberova song recital (24-hour information service 675 4411, ticket reservations 671

Beurs van Berlage Tomorrow and Thurs: Jean Fournet conducts Netherlands Philharmonic Orchestra in works by Massenet, Ravel, Debussy and Pierné. Fri, next Tues: Hartmut Haenchen conducts Netherlands Chamber Orchestra in Pleyel, Dussek and Haydn (627

Muziektheater Thurs and Sat: Nikolaus Harnoncourt conducts final performances of Jürgen Flimm's new production of Le nozze di Figaro, with Olaf Bar. Charlotte Margiono, Alastair Miles and Isabelle Rey. Next Tues: Simon Rattle conducts first night of Peter Sellars' new staging of Pelléas at Méllsande, flagship production of this year's Holland Festival (625 5455)

ANTWERP The main event in this week's

Antwerp 93 programme is Missa e Combattimento, a new music theatre piece devised by Astrid Vehstedt with music by Monteverdi and Judith Weir, which can be seen at deSingel tomorrow, Fri and Sun. Michael Finnissy conducts orchestral works by himself and Xenakis tonight at deSingel, and there is a final showing at Bourla tomorrow of Walter Hus' new Orpheus opera. The sacred music programme at St Augustinus includes a performance on Sat of a reconstructed version of the Matthew Passion by a forgotter Flemish master, Johannes de Nasco, and an early music programme on Sun with Orlando Consort (226 9300)

THE HAGUE

Dr Anton Philipszaai Fri: Gerard Oskamp conducts Royal Flanders Philharmonic Orchestra In works by Nielsen, Grieg and Sibelfus, with piano soloist Niek van Oosterum. Sat: Oliver Knussen conducts Hague Philhermonic in works by Birtwis Lutoslawski and others, with plano soloist Paul Crossley (360 9810)

■ GENEVA

 Jesus Lopez-Cobos conducts
 Orchestre de la Suisse Romande at Victoria Hall tomorrow and Fri in a programme including Mahler's Rückert-Lieder (Doris Soffel) and Schoenberg'e orchestral

arrangement of Brahms' Piano Quartet (311 2511)

 Théâtre de Carouge has Marivaux'e The Game of Love and Chance, daily except Mon till June 6 (343 4343). Coline Serreau's modern philosophical fable Quisaltout et Grobëta, directed by Benno Besson, is in its final week at the Comédia (320 5001)

■ SALZBURG For the second year in succession, the Chicago Symphony Orchestra is to give three Whit weekend concerts in the Grosses Festspielhaus. The first two programmes, conducted by Georg Solti on Saturday and Daniel Barenboim on Sunday, pair symphonies by Haydn and Bruckner. Monday's programme, conducted by Barenbolm, is devoted to Bruckner'e Fifth (682-846500)

UTRECHT

Vredenburg Tonight: Dmitri Fershtman, accompanied by Mila by Franck, Faure and Debussy. Tomorrow: Frans Brüggen conducts Orchestra of the 18th Century in works by Haydn, Mozart and Schubert, Fri: Heinrich Schiff conducts Radio Chamber Orchestra in works by Rands, Schwanter, Barber and Copland. Sat: Rudolf Barshal conducts Radio Symphony Orchestra in works by Glinka, Tchaikovsky and Musorgsky, with plano soloist Rian de Waai. Sun afternoon: Emma Kirkby song recital. Sun evening: Rudolf Werthen conducts i Fiamminghi in works by Tchaikovsky, CPE Bach, Britten

and Dvorak, with cello soloist Quirine Viersen (314544)

■ VIENNA

VIENNA FESTIVAL This week's programme is dominated by two new Alcestis productions - the Euripides tragedy and the Gluck opera. The play, directed by Frank Castorf, opens tomorrow at Messepalast and runs daily till Sat. Gluck's Alceste, sung in French, ie conducted by Thomas Hengelbrock and staged by Achim Freyer, with a cast led by Anna Caterina Antonacci. it opens at Theater an der Wien on Thurs, with four further performances till June 5. Pina Bausch and her Tanztheater

Wuppertal bring Bausch'e dance work Nelken to the Volkstheater on Fri, Sat and Sun. The festival runs till June 20 (586 1676) OTHER EVENTS Staatsoper Tonight and Fri: Queen of Spades with Maria Guleghina, Sergei Larin and Vladimir Chemov. Tomorrow and Sun: Don Giovanni with Boje Skovinus and Jane Eaglen. Thurs and next Mon: Selfi Ozawa conducts Falstaff with Benjamin

Luxon and Nancy Gustafson. Sat: Aida with Julia Varady (51444 2955) Korzerthaus Tonight, Oleg Maisenberg piano recital. Tomorrow Hugh Wolff conducts St Paul Chamber Orchestra in works by Ravel, Shostakovich, Bartok and Haydn, with plane soloist Emanuel Ax. Thurs and Fri: Peter Ectvos conducts Vienna Symphony Orchestra and Arnold Schoenberg Chorus in works by Schoenberg and Bartok. Thurs (Mozart-Saal): Anthony Rolfe-Johnson song recital.

Next Mon and Tues: Franz

Weiser-Most conducts London

Philharmonic in Bruckner's Fifth Symphony (712 1211) Musikverein Tomorrow and Fri: Sylvia McNair song recital. Thurs: Oleg Malsenberg joins Ensemble Wien in Schubert'e Trout Quintet (505 8190) Akademietheater Tomorrow, Fri,

Sat, Sun: new production of Pirandello's Six Characters in Search of an Author, directed by Cesare Lievi (51444 2959) Kammeroper Fri: first night of new production of The Bartered Bride

■ WASHINGTON

KENNEDY CENTER Broadway star Gregory Hines is joined by Savion Glover in a show of song and dance tonight. National Symphony Orchestra gives Pops concerts Thurs, Fri and Sat. The theatre programme includes Oleanna, David Marnet'e powerful drama about political correctness and sexual harassment, and the musical Guys and Dolls. June 1-6: Joffrey Ballet (202-467 4600) BALTIMORE SYMPHONY **ORCHESTRA**

David Zinman conducts Bartok's Second Violin Concerto (Pinchas Zukerman) and Egar'e Second Symphony on Thurs, Fri and Set at Joseph Meyerhoff Symphony Hall (410-783 8000) THEATRE

 The Skin of Our Teeth: Thornton Wilder's tribute to the Indestructability of the human spirit as seen through the eyes of the Antrobus family. Till June 13 (Arena's Fichandler Stage 202-488

Arms and the Man: Shaw'e comedy of love and war in the Balkans, Till June 6 (Center Stage's Pearistone Theater 410-685 3200) Five Guys Named Moe: a celebration of Louis Jordan'e sonos of the 1940s. Till June 20 (Ford'a Theater 202-347 4833) Shirtey Valentine: Willy Russell's

one-woman comedy about a mother with dreams that take her on e courageous voyage, Till June 6 (Church Street Theater 703-848 JAZZ/CABARET

Blues Alley Jazz Supperclub Thurs, Fri: Chuck Brown and Eva Cassidy, jazz and blues. Sat, Sun: Pieces of a Dream, contemporary jazz (1073 Wisconsin Ave, in the alley, 202-337 Flene Center at Wolf Trap Set:

Dwight Yoakem and Suzy Bogguss, country music. Sun afternoon and evening: Irish folk festival (703-218

ZURICH

Opernhaus Tonight and Sat: La boheme with Mara Zampieri, Vicenzo La Scola and Wolfgang Brendel. Tomorrow and next Mon: Adam Fischer conducts Nikolaus Lehnhoff'e new production of Don Carlo, with Francisco Araiza, Ruggero Ralmondi and Gabriela Benackova. Thurs: choreographies by Nijinsky, Bienert, Uotinen and Saint-Léon. Frt: Die Zauberflöte (262

0909) Tonhalle Tomorrow: Arend Wehrkamp conducts Tonha Orchestra in works by Richard Strauss and Rakhmaninov, with piano soloist Tomas Kramreiter (261 ARTS GUIDE Monday: Berlin, New York Tuesday: Austria, Belgium,

Netherlands, Switzerland, Chicago, Washington. Wednesday: France, Germany, Scandinavia. Thursdey: Italy, Spain, Athens, London, Prague. Friday: Exhibitions Guide. European Cable and Satellite Business TV (All times are Central Euro-

pean Time)
MONDAY TO THURSDAY Super Channel: European Business Today 0730; 2230 Monday Super Channel: West of Moscow 1230. Super Channel: Firlancia Times Reports 0630 Wednesday Super Chan-nel: Financial Times Reports 2130 Thursday Sky Newe: Financial Times Reporte

2030: 0130 Friday Super Channel: European Business Today 0730; 2230 Sky News: Financial Times Reports 0530

Saturday Super Channel: Financial Timee Reports 0930 Sky Newe: Weet o Moscow 1130; 2230 Sunday Super Channel

West of Moscow 1830 Super Channel: Financia Times Reports 1900 Sky Newe: Weet of Moscow 0230; 0530 Sky News: Financial Times Reports 1330; 2030

adam Yang, the Beijing newspaper vendor, had no doubt what sells papers and magazines. 'News." she declared. "That's what sells. You've got to have hard news.

"What I'd like to tell newspaper editors," she added, speaking near her stand at the entrance to a Beijing subway, "is to get more original and bizarre stories in their papers. make them more entertaining. You may frown on it, but that's what makes a paper

Madam Yang could have been repeating the gospel according to Mr Rupert Murdocb, the publishing tycoon who visited Beijing recently, in his efforts to extend his empire to the Chinese mainland, But ber attitude and her enterprise also reflect the enormous changes that have overtaken China's press in the past few

Take Madam Yang herself. Her small stand, which turns a tidy profit each month, is a relatively new phenomenon. Back in the days when choice of newspapers for Beijing's residents was restricted to a few. grey Communist party-controlled propaganda sheets, such as the People's Daily, distributed mostly by subscription, there was no need for oewspaper vendors.

At the People's Daily itself, located in a sprawling walled compound in a Beijing suburb mention of the fate that befell Pravda, its Soviet equivalent brings a worried response. Pravda is harely surviving with a circulation of 500,000, down from 10m in its heyday.

The Daily's circulation has also slumped, to 3m from a high of 6m in the 1970s. Mr Wu Changsheng, a senior People's Daily editor, makes no attempt to disguise his coocerns. "In the past." he says, "We didn't have any competition, therefore we didn't have to worry much about attracting readers. Now, our task is to make the paper more attractive and appealing without losing

For much of the past four decades since the Communists came to power in 1949, numbers of newspapers had been limited. There were as few as 100 papers in the country. before liberalisation of the market in the 1950s prompted a proliferation of new titles. By the end of last year, 1,505 oewspapers were being published. with combined annual sales of about 25.25n copies. Circulation grew by about 20 per cent last year over the year before.

Beijing news shocker

The Chinese press is undergoing radical change, says Tony Walker



Mr Shi Feng, an official of China's Press and Publishing Administration, which is responsible for licensing new publications, says there is enormous continuing demand for licences, both for newspapers and magazines including business publications. The surge in magazine titles has perhaps been even more notable than for newspapers. Some 6,400 magazines, the hulk of them technical, are published in China with a combined cir-

culation of 2.3bn. Apart from the big number of periodicals coming on to the market, papers themselves are also getting bigger - from a typical four pages to as many as 12. Papers are also publishing more supplements and weekend special editions. In short, Chinese publications are

becoming more commercial. Just how commercial became apparent the other day when the official Shanghai Wenbui Daily covered its entire front page with a large advertisement for air conditioners. This

bank, WestLB accompanies

your international finance

20 years of experience in

Corporate Finance, the solidity

of a state bank and the lead-

ing role played by WestLB. On

prompted an outcry among readers, and a worried reaction from competitors. But Wenhui business managers were unre-

pentant since, as they

explained, the paper is now ohliged to make its own way in

China's market economy. China's establishment press and its problems were the subject of a somewhat plaintive article in a receot issue of Outlook, a magazine published by the official New China News Agency, whose reporters had conducted an investigation into the decline of the "blg

These inquiries yielded some revealing comments, including those of an anonymous People's Daily editor who said with surprising candour. "The news that (People's Daily) publishes is not new, which is not only insulting to the word "news", but is also deceiving to the readers.'

The magazine also related several colourful anecdotes to reinforce the point. In ooe, an editor of a "establishment"

Introducing the German bank that offers finely tuned instruments in international finance: WestLB.

classical products with inno-

tivity. That's why WestLB

nghtfully belongs at the rop of

vative solutions, applying the

mb of state-of-the-art

thanks to a global network

stretching from Düsseldorf to

York and from Tokyo

don, WestLB is

WestLB

perfectly equipped to set the

tone for your international

paper, such as the People's Daily, returning home one night and finding on the dinner table the same old fare, asked his wife why? To which, she replied: "I learn it from your newspaper. Don't you serve the same thing every-

It is the new papers and magazines which have departed from the "standard" fare that are, not surprisingly. doing best. These publications have been building circulation rapidly by printing titillating and semi-scandalous reports on subjects ranging from the private lives of film stars and singers to fairly explicit surveys of such previously taboo issues as bomosexuality.

While editors are prepared to countenance fairly racy stories these days, such daring does not extend to political stories All practise a form of selfcensorship that would not be required of an editor in the west; although Chinese editors say that circumstances are hecoming more liberal again after the crackdown that followed the 1989 massacre of pro-

democracy activists in Belling.

"The political atmosphere is much better now, though it'a not perfect," said Mr Li of the China Youth Daily, one of the country's "hig papers".
"There's always room to improve. But the trend is getting better and easier."

That may be so, but the battle for real press freedom is only really just beginning, and there is no indication that the Communist party might allow real criticism of the political system and its leaders. Nevertheless, the Chinese word, tourningdu, meaning transpareocy in the media and in government, is heard more frequently these days; and some of the more daring publishers and editors are openly challenging the status quo. Thus, the publisher of Shanghai's Liberation Daily, probably the country's most liberal publication, recently argued strongly that all Chinese have a right to know - a fairly radical concept

by local standards. "If we really want to become an 'open China' in the eyes of the world, we must first open up the press. Journalists have the right to interview, the media has the right to report and the public has the right to know," he wrote.

But in a country where the media has long been the exclusive preserve of the Communist party the notion of the "right to know" smacks of a dangerous virus, and one that party officials are coming to terms with only reluctantly.

Joe Rogaly

The new Lords of Lotto



Britain's new national which tery, which could he in operation late next year, is expected by its supporters to hecome

gigantic new business, benefiting many dozens of suppliers, with a turnover that could top fibr. The devil on my shoulder tells me it could be as exciting, and intellectually satisfying, as direct mail, on which I am an expert. Bldders for the principal contract, says one consultants' report, are offered the opportunity to create a new FT 100 company.

That is only half of it. The lottery will extrude a regular supply of instant millionaires, not to mention excited winners of lesser amounts, the more innocent of whom will doubtless be seen as ripe pickings for vultures from the financial services industry. It will pay taxes, initially a come-on 12 per cent, to the Treasury. The remaining crumbs - at worst under a fifth of turnover and at best close to a third - will be divided among five "good" causes, one of which is the 'millenium fund" over whose celebrations the prime minister hopes to preside. He should be

so lucky. Knowing all this wealth and power to be at stake, you will not be surprised to learn that there has been a certain amount of lobbying oo behalf of the three principal interest groups involved: the football pools promoters, the charities and potential players in the new market. Their efforts are currently focused on the Lords. where the hill will be debated on Thursday.

Governed, as ever, hy the angel on my other shoulder. my sympathies are with the charities. It has to be said at once that if we soft-hearts have

our way the potential revenue from the lottery business will be cut hy 30 to 40 per cent, or more, the start-up will be slower, and the whole enterprise might crumble. What a calamity! Let me explain. The establishment of lotteries is a rapidly expanding global business. It should be categorised under electronics, telecommunications and computer services. There are two main types of game. The big, expensive one, entailing huge set-up costs, is lotto. You buy a ticket regularly and in advance. The prize is drawn on evening TV

shows once or twice a week. The relatively cheap and cheerful alternative is the instant ersatz crapshoot. You buy a card on impulse - while

shopping, say and the number revealed by scratching the card or running it across an electronic reader tells you at once whether you have won, of between £2.5bn excluding the whose tombola prizes are immediate, fear the competi-

tion. A report on the national lottery prepared for the government makes it plain that the instant gratification business is a key element in the cash flow projections for the entire enterprise. I hope their lordships are not put off by this argument. A second threat to Mr John

Major's dream comes from the pools promoters. The government line is that football gambling is largely undertaken by men of a certain earnings group, Lotto on TV, or scratchcards bought at the check-out counter, will attract women. the young, and, if the games are sold by branch post offices, pensioners and social security heneficiaries. This has not reassured the pools companies.

During the passage of the bill through the Commons they asked for five concessions. First, a reduction in taxation to the same level as that proposed for the national lottery. Nice try. Second, removal of the requirement that "skill and judgement" be required of punters. Another failed attempt. The pools promoters did better on the next three. They won the right to sell their tickets through any outlets, as

be excluded from betting shops and direct sales to households. The pools asked for the right to advertise on TV, a key to monopoly power at pres

opposed to their existing prac-

tice of using door-to-door

agents or direct mail. The lot-

tery, on the other hand, is to

available to the lottery alone. So far all they A UK national have heen lottery could offered is a probecome the vision allowing world's largest, them to sponsor with annual sales grammes, football results. and £6bn

Finally, the "rollover" of jackpots, which in the US has resulted in prizes as high as \$100m; but which in the UK is likely to be at lower levels, will be permitted for the pools and the lottery on similar terms. These two concessions have been offered as amendments to be tabled in the Lords, we have vet to see the colour of tha government's money.

What the third group, those whose snouts are in sniffing distance of this bountiful new trough, is saying is that if the charities and the pools both have their way there will not be enough left for the putative Lords of Lotto. Then sports, the arts, the national heritage and the other potential beneficlaries of this new business would be that much tha poorer. Even worse, Sains-

burys, W.H. Smith, Granada Forte, Texas Home Stores and the like would be deprived of the chance to earn a 5 to 7 per cent rake-off plus additional walk-through trade expected:

by the chosen retail outlets, It all depends. As to the size of the trough, foreign experience is mixed. Française de Jeux sold £3.7bn worth of tickets last year, following the introduction of a multiple instant games strategy: CONT in Italy competes with regional lotteries and brought in only £1.4bn. Residents of Massachus. setts spend an average of £200 each a year on lottery tickets the New Zealand equivalent is £56. Australians spend 84 per cent of their discretionary income on their Tattersalls Westdeutsche Lotterie brings in only 5.1 per cent from the mad money available to each

inhabitant of its area. These figures are from GAH Consultants, 4-6 Arne Street, WC2E, from whom you can buy the whole book for £695. GAH, which advised the gov-ernment, believes that the UK. national lottery has the potential to become the largest in the world, with annual sales of "anywhere between \$2.5bm and £6bn", albeit under £2bn with

out instant games. We come at last to the heneficiaries Let us be generous Assume £4bn to be the lottery. income in a good year, with half going to prizes, 15 per cent to the operating company, and

12 per cent in tax. That leaves £920,000 for the five causes. Dream a little. Call it a billion. Now ask yourself the following two questions: will the Treasury maintain government funding for those who get shares of this billion, or will it be cut? Will the 12 per cent tax take be kept at that low level or will it be increased? You know the answers. So do L There is no need to send them in on a post-

THE EDITOR

Number One Southwark Bridge, London SE1 9HL Fax 071 873 5938. Letters transmitted should be clearly typed and not hand written. Please set fax for finest resolution

Most US companies | Closing Tecs would be a in retaliatory net

Sir, Mr John Wosner's letter (May 20) suggesting that UK ornia there must be few USlaws designed to retaliate against US companies would have a limited effect can be of little comfort to most US-based companies with UK subsid-

It is true that if such companies (a) do not have their main place of husiness in a unitary tax state such as California, or (b) are not subject to tax by such a state, or (c) have less that 7.5 per cent of their US payroll, property or sales derived from such a state, then they cannot be affected by the

But given the wealth of Califbased companies that are not potentially affected by the legislation. How many of them would be affected would depend on the form of implementation since the making of a Treasury order to enforce the

provisions would not only give the effective starting date, but can also say which of the tests listed above would be applied. L Blumenthal director of UK tax.

Mobil UK Tax Group, Mobil Court,

3 Clements Inn, London WC2

High fares for high speed

From Mr J W Smith. Sir, Your article, "Mitterrand mocks UK as new TGV link opens" (May 19), states that French rail users are complaining about the higher fares they will have to pay to help recoup the cost of building the new

Paris to Lille line. The range of fares quoted in the article is just about the same as we currently pay in Britain for the comparable length of journey between Lon-don and Bristol, without BR having made comparable out-lays on new trackwork and rolling stock. What prospect is there of high-speed rail links in Britain at fares we can afford? J W Smith.

5, Old Deer Park Gardens, Richmond, Surrey TW9 2TN

Time to mend their ways

From D Ellis.
Sir, The culture of late payments has been sown, fertilised and further grown hy large companies. They must be made to mend their ways. Until they do the poor small business does not even receive the cash to pay its own hills. It is there fore, no wonder that research appears to support the contention that small businesses are as dilatory as the large ones

("UK's late payment culture attacked," May 10). When will the headline writers, authors of financial arguments and others look at it from this angle?

25 Kingsley Park Grove,

political nonsense

From Mr Edward Roberts. Sir, No doubt Mr Ansel Harris finds it enjoyably diverting to write (Letters, May 18), as be so often does, suggesting cils should be closed down, but that is a practical, as well as a political, nonsense. If he really cares about training and enter-prise he should make constructive and practical suggestions on how Tecs can deliver even more than they do aiready.

In the meantime a few facts. Tecs are making real progress in training. Forty-three per ceot of adults leaving employment training last July were qualified, compared with 36 per cent the year before under schemes run by the employment department. In September 1992, 32,000 young people awaited training under the youth training system. In

April 1993 this number had been reduced to 5,300.
In a typical year there are some 40,000 business start-ups

Chairman,

Group of Ten Tec Chairmen

Redditch, Worcs B92 6AY

per cent of these are still successfully trading and growing after one year of operation; making a significant contribution to employment and economic development. All Tecs have economic regeneration as the cornersione of their strategies, based on investment in the husiness community and inward investment. Raising skills of the workforce through training is fundamental to this.

under Tec support. Some 85

Our targets are ambitious and rightly so if we are to . achieve international competitiveness. Tecs are here to stay. And with their partners in education, local authorities, chambers of commerce, and enterprise agencies they are tackling an immense task with increasing success. Edward Roberts, chairman and chief executive

Heath Springs,

Kicked into public arena

From Mr Malcolm Edwardes. Sir, In "Spurs forced to issue ctatement on profits" (May 18), your correspondent suggested that "Mr Venables' methods of giving out price-sensitive information jars with stock exchange rules about making such announcements to the market as a whole".

He did speak without board approval. Nevertheless, his method of announcement outside market hours on live tele-

vision during the FA cup huild-up could not have been more equitable. Small investors without ready access to star analysts would be less disadvantaged if more company news was relesed on Saturday

Malcolm Dewardes. managing director, Delphi Risk Manage 3 Hyde Park Steps, St George's Fields, London W2 2YQ

Cable TV development restrained by old technology

From Mr Tony Young. Sir, I noted with interest you

editorial comments regarding a compromise which would allow BT to overcome the asymmetry rule, which remains an extraordinary restraint on trade. You are correct in stating

(Leading article: "Cable television", May 19) that information super-highways should be huilt because of genuine consumer demand, although it should be borne in mind that, as a rule, telecommunications applications are developed only when a network infrastructure exists to support them - a classic chicken and egg situation - of which ISDN is a prime example. The trade and industry select committee should hear this in mind if and when it launches an inquiry.

If BT is seriously expected to compete as a successful player in the US market, then the Department of Trade and

restrictions that prevent BT from making more efficient use of its existing network. The asymmetry rule prevent-

ing BT and Mercury from using its network for hroadcast entertainment retards the introduction of fibre towards the house and office, and the development of new services.

My union has been at the forefront of the argument for a national broadband grid or "network of the future". However, this requires a regulatory regime that encourages modernisation of BT's local loop by making it commercially viable - and the obvious way to do this is to relax the asymmetry rule. As John Harper, former managing director of BT, argues, the regulatory regime and industry structure in Britain acts "as a drag rather than a help to the early stages of exploitation and application

of broadband technology". Few of the UK cable compa-Industry will have to lift the | nies are laying fibre to the

home. Instead, we are exper-iencing a proliferation of coaxial and copper cable - leaving us with the prospect of two outmoded local loops.

It is essential that, if the government wants to modernise the UK's telecoms networks in the interest of residential customers, business customers and international competitiveness, removal of the asymmetry rule must be a priority. Tony Young,

general secretary. National Communications Greystoke House.

150 Brunswick Road Ealing, London W5 LAW

From Mr Derek A Coggrave. Sir, I was pleased to read your comments ("Cable telecoms") and the sensible suggestions for overcoming the restrictions placed on BT.

My telephone is connected to

the BT network via copper wires. This is, as you have pointed out, obsolete technology and BT is prevented by government regulations from replacing this metal based network hy fibre ontics for its domestic customers. Thus, we are deprived of services which would otherwise be available. The fact that BT has this

Luddite ball and chain clamped round its metaphorical leg only illustrates how daft British governments can get. These restrictions not only bold back the technical devel-opment of BT, but also mannfacturing companies supplying equipment to BT.

Once installed, fibre networks will be able to provide a great variety of information for the home consumer. However, to be successful this will have to be cheap, probably at a price comparable to the cost of television film channels. It will work if the price is right Derek A Coggrave, 23. Wentworth Park,

Finchley, London N3 1YE,

كدامن الكحيا

. . . .

100

200

. 125 -

127

77....

11-

25-1



FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL Tel: 071-873 3000 Telex: 922186 Fax: 071-407 5700 Tuesday May 25 1993

Complacency on the ERM

JUDGED BY the lessons they draw from the turmoil in the exchange rate mechanism, the principal monetary officials of the European Community have, like the Bourbons, forgotten nothing and learned nothing. This is a pity. "The Community," asserts the EC'e monetary committee, "needs plain speaking, confrontation on policy issues and critical probing of forecasts and policy intentiona." But it also needs these virtues when analysing ECwide policy systems, like the ERM. Unfortunately, neither its report nor that from the committee of central bankers display them.

It would help if the authors showed some appreciation of the scale of the disaster that has befallen the EC. The Monetary Committee is correct in its castigation of policy failures in member states. But the rigid application of the ERM itself spread the consequences of German unification to the rest of the EC, so creating today's damaging, but largely unnecessary, EC-wide recession. Subsequent turmoil in the ERM damaged both the credibility of individual governments and relations among them, in the process transferring huge sums from taxnavers to speculators.

...

1.0

: : .

If the reports had confronted this record head on, they might have been less complacent. For their conclusion is simply that "current institutional and technical arrangements in the RMS remain on the whole appropriate".

Many recommendations The principal recommendations

from the monetary committee are "the adoption of stability-oriented economic policies in all participating countries"; "improved co-ordination of economic policies"; orientation of monetary policy towards price stability; sound public finances; symmetric policy action, "in the sense that all countries are obliged to pursue stability-oriented policies"; and appropriate responses to inflationary divergence, including "exchange rate changes ... to offset, at least partly, the effects on competitive-

These recommendations are to be made effective by frank discussion of the economic position of member states and "action, when

development of expectations of change on the markets". But the ERM will retain "fixed but adjustable exchange rates", not turn into a "crawling peg" system. In short, the system is fine. It is politicians who have been foolish. This is an understandable position for countries still in the system to take, but that does not make it the

No consistency

In the first place, the ERM has failed to provide consistent help to stability-oriented policies. Spain, for example, did indeed suffer a "significant and cumulative deterioration" in its competitive position that undermined the credibility of the peseta. Nevertheless, Spain's problem in the ERM was for years not a weak exchange rate, but a strong one. Similarly, the fiscal problems of EC member states have been exacerbated in recent years by the adverse effects of the ERM on the cyclical position of member states.

in the second place, the ERM cannot be made stable by more timely adjustment of exchange rates. Markets read the same statistics as policy-makers, but react far faster. With the illusion of stability departed, investors will analyse every EC member state for signs of cyclical or structural disequilibrium. When they find one, they will move. The authorities must then either resist or give in. If they normally acceda to the pressure, their currencies will be pushed towards floating. If they resist, their credibility will be at stake and the temptation to play "double or quits" will be over-

whelming. The way fixed, but adjustable, exchange rates work in the absence of exchange controls is well known. They cannot survive by offering a series of hugely profitabla one-way bets to speculators. As a result, the ERM will not become more stable if substantial pre-emptive jumps in the exchange rate are made more frequently than hitherto. The well-known answer is to move either towards credibly fixed exchange rates, or towards managed floating. Given the politics, it is not surprising, that the dilemma has not been confronted. But there are flaws in the ERM.

Spain's new challenges

WROEVER FORMS Spain'e will be badly constrained. government after the general election on June 6 will need to face up to uncomfortable realities about the country'e economic structure and its place in Europe. Mr Felipe González's Socialist government has fervently desired full Spanish participation in greater European economic integration. Yet he has failed to put into effect the mea-sures needed to ensure this aim.

The time of reckoning has arrived. Mr González, in power since 1982, starts the election campaign more or less level pegging in the polls against his conservative opponent, the untried Mr José Maria Aznar. Given that the prime minister presides over an economy in recession and a party weakened by factionalism and allegations of corruption, this is not a bad position for him. The country's budget deficit and large current account deficit, however along with the latest official unemployment rate of 21.7 per cent, underscore that Mr González has been unable to make use of previous years of buoyancy in the Spanish economy to solve some

basic economic problems. Mr Aznar, for his part, has succeeded in modernising his Partido Popular and moving It towards the political centre. But the lack of detail in Mr Aznar's prescriptions has added to the difficulty of seeing his party as a credible alternative to the Socialists.

Peseta devaluation

With the left in disarray in every large European country, It is not surprising that Mr Gonzalez has lost some of his panache. Most strikingly, the three devaluations of the peseta since September illustrate the gap between the prime minister's rhetoric and the real world outside the Moncloa

Spain has to come to terms not only with the short-term problems engendered by the European slowdown, but also with the longer term challenge of life in a wider Europe. The eastward shift in the continent's centre of gravity has brought new competition from former communist countries where wages are roughly one-fifth of adapts to these circumstances, its adapts to these circumstances, its ability to attract grants and investment from the rest of the EC investment from the rest of the EC

The latest devaluation of the peseta on May 13 was a setback for Mr González and his finance minister, Mr Carlos Solchaga. However, after several years with an over-valued currency, the overall fall of 15 per cent in the exchange rate against the D-Mark since antumn gives Spain the chance to bring its economy into hetter halance.

Fresh priorities

The goal to which the country aspires - economic and monetary union by the end of the century has become less feasible even for the etronger EC economies, let alone Spain. If Spain now realises that it is unlikely to be among the first group of EC members that go ahead with Emu, this should be construed not as a failure, but as an opportunity. Above all, Spain should reverse its order of priorities. Its most pressing task is to construct and enact policies to correct flaws in the domestic economy and make Spain more competitive. The time to worry about participation in Emn will come after these policies are in place,

and showing positive results.

Because of the size of the unregistered economy, the official fig-ures overstate the true level of unemployment. None the less, the recorded level of 3.3m represents a startling waste of resources in one of the EC's poorest countries. To realise its undoubted potential, Spain needs to make room for pri-

vate-sector job creation. Crucial to this aim are measures to restructure and privatise public sector industry, to control public spending more effectively, and to make laboor markets more flexible. Two measures long sought by employers, which Mr Solchaga has failed to push through because of party and trade union opposition, are particularly necessary: the ending of administrative controls over layoffs, and the break-up of rigid centralised wage bargaining. Unless Spain makes adjustments of this kind, it will have little chance of leaving the economic periphery and climbing into Europe's premiar league. Voters do not yet seem fully convinced of the need for a change in priorities.

Treuhand: the pace of privatisation

ggs have often been pelted at the Berlin head. Judy Dempsey examines the performance of the agency charged with privatising east German industry

Mission unpopular

cation, the Treuhand is not only one of the most well known. It is such as mining operations and engine makers, which are difficult This is because it has completely to break up and sell as smaller units. The Treuhand has set up five management companies, run by granted by the government in 1990 west Germans, each of whom will supervise about 15 of these heavy industrial companies. Over the next three or four years, they will restructure them with the aim of selling them off. It is not just industrial concerns

big enterprises intact until the end

of the privatisation proceedings.

Instead, it chose to privatise from

"the top down". Having made the

decision, the government simply

hand could have done it differ-

ently," said Mr Thomas Mayer,

chief economist at Goldman Sachs

the investment bank. "I was highly

critical of this method of privatisa-

tion in the early days. But it has

done a fairly good job in a short

space of time."

Mr Mayer admitted that the cost

of privatising east German industry had been higher than expected. Ini-

"It is academic whether the Treu-

put everything up for sale.

last year, the Treuhand had started closing down 2,200 companies. that have proved difficult to sell. Mr Hero Brahms, vice-president of the Treuhand, said there was no The entire privatisation process has been complicated. One of the prob-lems the Treuhand faced in the choice. "I know we are a shield for early days was that it was working blamed for the unemployment in in a vacuum. Germany chose not to eastern Germany," he said. "But if use any of its neighbouring east you look at the Treuband's role, it European countries as a model - it was set up not only to privatise. We ruled out the Hungarian system of small-scale privatisation, by passed had to find solutions for all our the Czech voucher scheme system of employee shares, and resisted the Polish or Russian method of leaving

Nearly 11,000 of the Treuhand's 13,000 companies have been dealt with since 1991, mostly through privatisation, which has brought in a total of DM40bn (£16.2bn) - lower than expected. However, the agency has received investment commitments totalling DM170hn, which will guarantee the 1.4m jobs.

quarters of the Treu-hand, the agency

d charged with privatising

east German industry. Earlier this

month angry workers from the pot-

Leipziger Street, where the Treund is based. Throughout the hot

afternoon, they shouted abuse at

the agency's employees, threw eggs at the windows, and scattered pot-ash on the pavements. It was a

reminder that of all the institutions

set up in east Germany after unifi-

restructured east German industry

in accordance with the mandate

after reunification. The result has been high unemployment. Of tha

4m workers in the 13,000 companies

placed under the Treuhand, only

1.4m now have jobs. By the end of

Mr Brahms believes the Treuhand has accomplished the tough part of its task. Between now and the end of next year, when it is wound np, fewer than 1,000 companies, which employ 210,000, are left to be privatised. "Right hundred of these companies hava fewer than 100 employees each. These will not be too hard to privatise," Mr Brahms said. Among the 1,000, there will, howbad debts of the region's enterprises totalled DM70hn. This increased to DM92bn after reunification and monetary union between the former west and east Germanys. A further DM160bn was earmarked for the Treuhand for investment and restructuring costs.

Now, the total debt of the compa nies for sale is likely to exceed DM270bn, instead of DM252bn, because of rising labour costs, in addition, the falling value of obsolete plant has limited the receipts

further political development which has had a negative effect on tha companies' purchase prices has been the breakdown of the Soviet and east European markets. When west German and foreign companies entered east Germany it was initially with the hope that a stepping stone would be provided to markets in the east. That hope has evaporated.

"Expectations [among investors] were high in 1991 because eastern Germany still had markets," said Mr Brahms. Russia, for example, was absorbing about 70 per cent of east German exports. But following the collapse of Comecon, the former Soviet trading bloc, trade is down to virtually zero. "This affected the large enterprises. Their market disappeared overnight," said Mr Brahms. "Investors were hit as well because some of their early concepts were clearly designed for having a new, additional export market seeking foreign investors. Ha is active in selling east Germany's lig-

Despite the collapse of markets in the east, the Treuhand managed to find buyers for thousands of east German companies - mostly from

west Germany. Critics of the agency accuse it of having an in-built bias towards west German industry and west German managers. There is a widespread perception that west German companies rushed in and took over the most potentially viable businesses, such as insurance companies and chemicals companies, to protect their markets and keep out foreign competitors.

Mr Brahms and his colleagues dismiss such charges. "Our foreign friends have always said: East Germany for the West Germans'. The real story is that not only did the west Germans know more about east Germany - and knew the langauge. But they were more pre-pared to cope with uncertainties, particularly property rights, which

"However, we were determined to attract foreign investors as a means of creating more competition. Look how the French Elf petrol stations managed to set up here." However, by the end of this February, only 577 companies had been bought by foreigners, about 10 per cent of the total. France, which has invested DM4.8bn, headed the list, followed by the US, Canada and Britain. Mr Hehmut Ballon, the director of the Treuband responsible for mining privatisations, said he and his colleagues had not shied away from

nite mines to an Anglo-American consortium headed by Britain'e PowerGen and NRG of the US. But he agreed that it was extremely dif-ficult, in the early days, to increase the flow of foreign investment. There were no proper marketing or accounting procedures, for instance.
"We lacked basic information

about what we were selling. Until about spring of 1991, we could not even describe accurately what the Other Treuhand officials suggest

that even if west German compa nies have acquired the largest slice of east German industry, fears thet they would close factories to pre vant competition have not materialised. "We never privatised with the aim of closing down," explained Mr Frederick Fucci, from the Treuhand's investor relations department, "Indeed, all the contracts are anchored on three principles."

First, investors had to commit themselves to a certain level of funding over a set period; second, they must set up a regional office in eastern Germany; third, they must guarantee a fixed number of jobs for a specified periods, depending on the contract.

So while short-term guarantees are in place and provide a measure of confidence, the long-term outlook is less certain. The success of the Treuhand will ultimately be gauged by the ability of the privatised com-panies to compete. But the collapse of their traditional east European markets together with the west European recession is likely to delay the improvement of conditions in the east German economy.

According to a recent Deutsche Bank report, average operating losses last year in privatised east German enterprises amounted to 20 per cent of total turnover. But Treuhand officials remain optimistic. Mr Brahms said: "Every investor knew they were investing in an economy with rising wages, which demanded sophisticated strategies. With such strategies, eastern Germany should reach a higher standard faster than the other east European countries. It will take time. But I am con-

Portillo risks targeting his own foot



government in its search for cost savings. Michael Portillo, chief secre-PERSONAL sury, has floated the tary to the Trea-VIEW idea as part of the

current review of public spending. Political pundits declare its inevitability. Even the Labour party's Commission on Social Justice is giving it serious

consideration. The argument is simple. Public spending is out of control, largely because of the expense of universal benefits; and universal benefits by their very nature go to the middle class, who do not need them. Tar-geting would enable welfare spend-ing to be cut, thus relieving the pressure on the public purse while not hurting those really in need.

But research by the welfare state programme at the London School of Sconomics, funded by the Economic and Social Research Council, suggests that all these claims have to be treated carefully. It is true that from social security, education and

Targeting welfare spending is at an historical benefits is again in fashion for the UK welfare spending is at an historical benefits is again in fashion for the UK welfare spending is at an historical benefits health. Hence the welfare state is acting as a "savings bank", smoothing the flow of resources for the product - 26 per cent in 1992-93. But this is in part a consequence of the recession, which both raises spending, through its impact on unemployment, and lowers GNP. If the green shoots of recovery are indeed appearing, then the crisis will melt away with the recessionary snows. It is also true that the middle

class benefit extensively from parts of the welfare state. In some areas this involves large subsidies that are difficult to defend - for instance, the use by the middle class of the higher education system far outweighs any contribution they might make in terms of taxation. But in other cases the situation is not so simple. For the welfare state is not only, or largely, a Robin Hood device for taking from the rich to give to the poor. Rather it takes tax payments from people at one stage in their lives and, in return, pays benefits to them at another. We estimats that over their lifetimes people pay for between two-thirds and three-quar-ters of the benefits they receive

same individuals over the life cycle. The welfare state is not a real savings bank in the sense that people get out tha actual money that they have put in Instead, today's workers pay for today's welfare beneficiaries. But they only do so

benefits have to be treated carefully because there is an understanding an implicit contract - that they will be looked after if and when the need arises. If the welfare state is altered at this point, large numbers of people will feel the contract has been broken - that they have paid into something from which they will not themselves benefit.

OBSERVER

The claims about the impact of ending universal welfare

Moreover, even if any savings due to targeting are fed back to the los-

insurance provision for themselves, provision that may be more expensive and less flexible. Due to the costs of marketing, the payment of sales commissions and so on, the administrative costs of private welfare are much higher than for state welfare. And the market may fail altogether to offer some kinds of protection, such as insurance against unemployment. There is a further complication.

Part of the welfare state does act as Robin Hood and does indeed take from the lifetime rich and give to the lifetime poor. It also redistributes between the sexes. Overwhelmingly, over their lifetimes women are net gainers from the welfare state, receiving an amount equivalent to the value of a good-sized house in a nice part of the country. This is largely because of the impact of universal benefits such as child benefit and the state earningsrelated pension scheme. Removing them or cutting them would benefit men at women's expense.
As Mr Portillo has found out, on groups. Moreover, in many areas it is difficult to justify on more objec-tive grounds. Political parties should be very careful before they plunge into this particular pool.

Finally, it should be remembered that the current "crisis" is in large part the government's own creation. In the run-up to the 1992 election, it sharply increased public expenditure on welfare. Spending on health, education, housing, pereonal social services and social security went up by more than 14 per cent between 1990-91 and 1992-93, far more than could be justified by recessionary pressure. All governments follow the alectoral cycle, but they need to be sensitive as to whom they make pay for it when the election is over.

Julian Le Grand

The author is the Richard Titmuss professor of health policy at the London School of Economics

Willy's final Claes act

■ What have Willy Claes. Belgium's foreign minister, and Sir Edward Heath, father of the House of Commons, got in common apart from an enthusiasm for the European ideal? They both like conducting orchestras almost as siasm for the much as orchestrating their fellow

politicians' agendas.
Indeed, Claes is looking forward to Belgium's presidency of the European Community, which begins on July 1, with a mixture of optimism and sadness. Optimism because last week's Danish and British votes in favour of the Maastricht treaty have given the drive towards European union new impetus. Sadness, because for six months Claes will be out of action as a conductor.

Claes has made quite a name for himself as a guest conductor official visit to the Middle East in December, the 54-year-old Flemish socialist caused quite a stir by conducting the Jerusalem Symphony Orchestra with one hand, while condemning Israel's deportation of 400 alleged Muslim fundamentalists with the other.

Aides say conducting is the only activity Claes has time for outside his ministerial duties and the minister's Brussels office features an elaborate hi-fi system. Sadly, Claes conducts his last concert next month for Belgian television and then will have to content himself with trying to keep the 12 member

Come December, however, the Community baton will be passed on to the Greeks and Claes will be free to remount the podium: he's already fixed up three concerts with the Liège opera orchestra and is open to further offers.

Dirty talk costs

Please do not adjust your phone. The National Association of Securities Dealers in the US, in a bid to clean up its industry, has fined and censured a New York stock trader for.... swearing. In handing out e \$10,000 fine and

suspending the Brooklyn based trader from the securities business for one day, the NASD scolded the culprit for using "gross, vile and disgusting" language during a series of conversations with rival traders - language that "transcended anything that could be remotely considered proper even

in those circles". The NASD dared not repeat the exact words used, but did reveal that one offending passage began with "dumb Minneapolis..."

Faulty plug Another public relations triumph from Hoover, home of the never to be repeated free flights offer. Yesterday, Gerald Kamman,



'I wish I could afford to

the company'e European president, gave a press conference in Paris to say that it was, after all, going to close its Dijon plant and transfer output to Scotland – a move which caused an Anglo-French political fracas when first mooted earlier this year. Unfortunately, no British newspapers were there to cover the event because Hoover failed to invite any....

Paper tiger ■ One of the first things that accountant Ian Hay Davison needs to do when he takes up the chairmanship of Newspaper Publishing, owners of The

Independent, is to get a wider

For Hay Davison, a former senior partner of Arthur Andersen, is a "restless man", according to The Independent'e company historian, Stephen Glover. The latter should know, since Hay Davison "frequently lashed out" at Glover's shins (unconsciously, of course) when the two of them used to sit around the Indy's boardroom table. Hay Davison'e other failing, according to Glover, is that he often gets people's names wrong. Indeed, Glover was so irritated by this that that, when he told Hay Davison that he was resigning, he insisted on saying "Goodbye George". Vicious stuff.

Bore speaks

The Tory government's ability to sound a burn note when it is trying to blow its own trumpet never ceases to amaze. It is justifiably proud of the £75m-worth of support it is pouring into Manchester'e bid to host the Olympic Games in the year 2000. But wasn't it a trifle insensitive to make thet very bid the centrepiece of the Department of the Environment'e exhibition stand at the City's 93 conference which

opened in Birmingham yesterday? Brum, which is co-sponsor of the conference, is still smarting at the government's refusal to back its own attempt. "I'd like to see the level of resources provided for Manchester made available to

Birmingham," growled Labour councillor Albert Bore, chairman of the city'e economic development committee. "All we got was a letter of support signed by Margaret

Under strength

■ Expect a good turnout for trade and industry secretary Michael Heseltine's power lunch at London's Lancaster House today. It's the first get-together of Hezza'e "round table" of hand-picked business leaders who plan to discuss the state of the nation every six months

or so. But why only 19 names?
A "Group of 20" would have had a much better ring to it. However ICI, which was on the original guest list, has dropped out, claiming that it is too busy reorganising itself.

Group 4 score

■ Bookies William Hill heaved a sigh of relief when Nuclear Electric sailed into Southampton to claim the trophy in the British Steel Challenge round the world yacht race with just 70 minutes to spare. Why? Nuclear Electric was a "10:1 outsider. We made a bandsome profit," beams William Hill, donbly relieved that second-placed Group 4 (at 5:1) saw victory alude them.

Out of the 10 competing boats. a Group 4 win would have presented the bookies with the largest Habilities. They would,

Tuesday May 25 1993

Railway renews Germany's links to East Prussian past

'Nostalgia' tours are set to revive sensitive ties to a former heartland. says **Quentin Peel**

f it were not for the red ribbon ecross the railway line, and the bright blue paint liberally splashed on the new steel sleepers, nobody need have noticed the occasion.

A bandful of speeches on the pistform, a quick couple of anthems from the local navy band, an inaudible press conference in the station waiting room, and it was all over. The rest of Kaliningrad railway station was bustling with Russian commuters going about their business.

And yet it was a sort of moment of history; when the ribbon was cut, it meant that the railway line from Kaliningrad. the former East Prussian capital of Königsberg, to Berlin, the German capital, was back in business for the first time since the second world war.

The "Königsberg Express" will run once a week from Berlin's Hauptbahnhof, through Poland, carrying Cerman "nostalgia tourists" back to their former home town, or the home of their ancestors. It is already listed in the new German railway timetable.

The inauguration this weekend was a half-hearted affair. The main dignitaries stayed away: there were no ministers of transport from Germany or Russia. No chief executives of the railways.

The celebration was left to the German private sector, which is anothed the initiative of rebuilding the 2km gap in the railway line where the Russians tore it up in 1947; and to the local administration of Kaliningrad, which is desperate to open links to the outside world. Moscow. Warsaw and the German governmont in Bonn were represented

by lowly transport officials. The truth is that the subject of Germany's links to its former Prussian heartland is acutely sensitive, and potentially embarrassing. The collapse of the Soviet Union has left the entire Kzimngrad region in limbo, a no man's land caught between its



neighbouring states of Poland. Lithuania and Belarus, with no direct links to Russia, and its real

historical ties to Germany.
With 900,000 inhabitants.
400,000 of them in the city itself, the region is little more than a glorified military garrison, the main base for the Russian Baltic fleet, and a point of return for Russian troops based in eastern Europe. Agriculture, which once supported vast estates of the aristocratic Prussian Junker families, has been all but abandoned, and the region has little to offer economically apart from a mod-est fishing industry, and an equally modest tourist potential.

Kaliningrad itself is a Sovietstyle eyesore, with only a handful of ruins to mark its history. About 40 per cent of the city was destroyed by British bombers in 1944, and the rest was effectively levelled by Stalin's tanks and subsequent town planning.

Pauline, one-time Intouristtrained guide retrained in devastating frankness, admits that the city has been rebuilt in a style "both primitive and tasteless". Her German tourists are horri-fied that all that is left are the devastated ruins of the city cathedral, a hideous neo-classical tomb of the philosopher, Immanuel Kant, and a couple of gates from the old city walls.

The German government is acutely sensitive about any sign that it might be acquiescing in the "re-Germanisation" of Konigsberg. Mr Helmut Schäfer, the minister of state at the foreign ministry in Bonn, was supposed to deliver a speech in the city last week. He sent his apologies, and a diplomat read the text instead. For Germany, he said: "There is no question of this territory belonging to the federal republic. The borders of united Germany are those of the previous federal republic, and the GDR."

The problem is that behind Germany's back, and behind Russia's back, a German speaking population is returning. An esti-mated 10,000-15,000 Volga Germans, deported from their homeland by Stalin, have settled in the countryside around Königsberg in the past four years,

So the Bonn government, with backing from Moscow, has opened a "German-Russian house" to give them a meeting point. It plans to open a consuiate next year. But it is adamant that it has no ulterior motives.

As for the railway line, nobody said it was just to Berlin. It would link Kallningrad to the western world, they declared. When the first trains left Berlin

on Friday night, the departure board at the central station declared proudly they were trav-elling to Könlgsberg. When they returned on Sunday, the notice board was subtly changed: they were coming back from Kaliningrad, it confessed.

Hoover to go ahead with Dijon closure

By Guy de Jonquières in London

HOOVER, the US domestic appliance maker, said yesterday it had decided to go ahead with its controversial plan to close its vacuum cleaner factory in Dijon, France, and move production to

The decision, announced in Paris by Mr Gerald Kamman, president of Hoover Europe, fol-lows a sweeping management review of the company's operations designed to cut costs and restore profit. The production transfer, which

will create about 400 jobs at Hoover's plant in Camhuslang, near Glasgow, was first disclosed in January. It enraged the French government and Mr Jecques Delors, president of the Euro-pean Commission, who accused Britain of peaching jobs.

Mr Kamman said last month that he was reconsidering the cancel it if he judged that it did not enhance the viability of the company. He said then that the Dijon plant was close to a profit on manufacturing, but that Hoo-ver's sales in France had fallen sharply this year.

Mr Kamman was appointed head of Hoover's European operations and its UK business two months ago after Mr Bill Foust, his predecessor, was dis-missed because of fiasco of the company's recent free flights

The planned closure, to he staged over the rest of this year, will mean the loss of about 600 of the 705 jobs et the Dijon plant. Mr Kamman said yesterday Hoover had drawn op a "social plan" costing FFr185m (\$33.8m) to cover the redundancies.

Hoover said the terms of the move to Cambuslang, for which the British government has offered £2.5m (\$3.8m) in regional aid, had not changed. It was still considering further cost-cutting

Hoover Europe lost \$67.1m last year, including a \$55m restructuring charge, on sales of \$501.9m. Maytag, the company's US parent, lost \$315m last year and a further \$10.5m in the first quarter of this year.

THE LEX COLUMN Telephone sales

The government is clearly learning on the job when it comes to pricing priva-tisations. For BT 2, it refined the bookhuilding process to avoid selling shares too cheaply. Now it is bribing fund managers with preferential treatment if they buy the company's shares ahead of BT 3. Given the attractions of the issue, that may be enough to prevent institutions selling to beat the price down ahead of the tender. Indeed, in other circumstances, the tactic might be considered an induce-ment to ramp BT shares into the float. The normal retail discount will be

even modest gains.

Once the Treasury has lost its finan-cial interest in BT, uncertainty about regulation will increase. The likely timing of the Monopolies and Mergers Commission report into British Gas -which may arrive on ministers' desks just after the BT issue - falls at an uncomfortable time. Yet the MMC will donbtless be careful in framing its recommendations with regard to the impact on other privetised companies. While the trend is towards tighter regulation, experience suggests that the unknown attitude of Mr Don Cruick-

required if private investors are to see

shank, the new director-general of Oftel, will be the deciding factor. Perhaps the main hint about the postion of Mr Cruickshank will come from the degree to which he forces BT to account separately for the parts of its business. Such action might foreshadow an attempt to split BT, although Oftel has not so far taken that line. It would, however, make plain where the power for the cashgenerating machine comes from

Carlton

It is tempting to view Carlton as an entertaining investment with reasonable growth prospects and a splash of recovery appeal thrown in for free. Its interim figures, showing a 16 per cent profit improvement and continuing progress on most fronts, seemingly contradict those who have chewed away at Carlton's shares since the start of the year.

The newly-consolidated Pickwick is contributing nicely. New video products appear to be faring well. Strong sales forecasts for the Aladdin video should also help polish np profits. Carlton TV is already producing encouraging results as the advertising market shows signs of life. The company's stakes in Central, GMTV and ITN further confirm just bow formidable a force Carlton will be in terrestrial tele-

FT-SE Index; 2825.6 (+13.4) Cartton Communications

Share crice relative to the

vision - particularly if the government were to relax the takeover rules

applying to TV franchises. Even recent scare stories, which have so undermined the shares, contain more scare than story. Although alternative film distribution channels may eventually present a threat to Carlton video business, the big Holly-wood studios are unlikely to risk them just yet. Nevertheless, despite all Carl-ton's attractions and its sub-market rating, it is doubtful whether the shares deserve to move much from here. Reuters, another unfashionable media giant, has fallen to a lower historic earnings multiple than Carlton. Reuters' growth prospects may be questioned, too, but there is no disputing the greater reliability of its income

Royal Bank

There is more than one precocious offspring in Royal Bank of Scotland's brood. Direct Line insurance has overshadowed Citizens Financial, but the acquisition of the failed New England Savings Bank from the authorities continues a prodigious rate of growth in US banking this year. Both Citizens and its parent have enough capital to stand the strain. NatWest, the other clearer with ambitions in US retail banking, must be envious on that score despite yesterday's issue of pref-erence capital. The only worry is that Royal Bank's capital strength gives it rope with which to hang itself.

By remaining a regional bank con-centrating on retail business, Citizens has so far taken a conservative line. The arrangement to sell immediately

England Savings is a case in point. If that policy is adhered to from here on, Citizens might avoid the kind of realestate loan losses which hlighted Nat-West Bancorp. But avoiding pit-falls is not enough to guarantee a decent. return on capital. Royal Bank has seen only a modest return on its original investment in 1988.

Expanding Citizens' loan book and gearing-up its capital base are thus necessary to keep profits rising. While loan demand is slack, buying smaller rivals may be a safer way of proceed. ing than forcing growth from within always assuming exhaustive due dis-gence procedures are followed. Royal Bank deserves credit for installing management with local knowledge it has yet to prove it can keep a transatlantic grip during the growth phase

Tesco

Five months after its announcement, Tesco's foray into France through the acquisition of Cattern looks even odder. With Tesco's mainstream husiness still under pressure shareholders will hardly welcom management time being diverted across the Channel. The stock market is asking some tough questions about Tesco's performance in the UK - as shown hy an above market yield. Some convincing answers would be appreciated. By itself, though, Cattenn will not do much harm, even if it does go horribly wrong, since it only accounts for a minuscule proportion of Tesco's total sales. It is what comes next that provokes the worries.

UK electricity

Professor Stephen Littlechild has once more rattled the threat of a Monopolies and Mergers Commission reference in front of the privatised electricity generators. That is pretty standard stuff, but the generators' victory in the battle over coal may also have cost them friends in Whitehall The duopoly, always an anomalous, structure, may thus be under threat, along with the companies' high dividend cover and strong cash flows.

in the short run, the government's 40 per cent stake may protect them. Further out, National Power and PowerGen may have to consider selling stations to reduce market share. The companies may also hope that Professor Littlechild's desire to shape the industry himself leads him to strike a deal directly rather than take the commercial loan assets of New a chance with the MMC. . . .

BCCI depositors sue Bank for failing as regulator

DEPOSITORS in the collapsed Bank of Credit and Commerce International yesterday issued a writ against the Bank of England for allegedly failing in its role as

Liquidators at Touche Ross, the accountancy firm, co-ordinated the legal action. It is believed to be the first time the Bank has been sued under bank-

ing law.

The move – which had been hinted at by liquidators over the last few weeks - was delayed by questions over whether the law would permit BCCI itself to sue the regulator. But Touche Ross recently

received a legal opinion from Sir Patrick Nelll, QC, that while BCCI or its liquidators could not sue directly, individual depositors might be entitled to damages from the Bank

The writ was issued in the names of a small number of depositors and alleges that the

Bank falled to regulate BCCI properly in accordance with the

terday: "We have been aware for some weeks that the liquidators were considering whether pro-ceedings could be brought against the Bank. We believe we have a complete defence to

introduced a number of supervi-sory changes and proposed mendments to legislation.

vidually But the government of Ahu Dhabi, BCCI's majority share-

holder, hinted yesterday that It might commence its own legal 1979 and 1987 Banking Acts.

The Bank was criticised last year in e US inquiry chaired by Senator John Kerry and in a government from Mr Justice Bingham, following which it

Three of the joint liquidators at Touche Ross wrote yesterday to depositors encouraging them to add their names to the writ. They said it would be "extremely difficult, expensive and impractical" for depositors to take action indi-

action against the Bank The Bank of England said yes-We have been actively looking at what claims we may have

against the Bank of England and these investigations are et an advanced stage." a spokesman The Touche Ross letter said it

had been advised by Sir Donald Nicholls, who as vice chancellor is the senior chancery judge, that it could use liquidation funds to take legal ection on behalf of depositors provided it distributed any award to creditors in proportion to their claims.
It stressed that the outcome of

the litigation was uncertain and there was little precedent but It had been advised that the claim "has a fair prospect of success". The Bank of England has been

sued at least twice before in recent years. The 1987 Banking Act says the bank and Its employees will not be liable for any actions or omissions unless it is shown to be "in bad faith".

director of the budget from Mr Pierre Pissaloux, who remains the director in charge of Mr Attali's cabinet. The bank is looking for a new permanent

Mr de Neergaard's report said the audit committee was con-cerned at the "very low" level of commitments and disbursements of loans and investments by the bank in first quarter of 1993.

It "requested management's opinion as to whether it would be possible to reach even the lower end of the targeted commitments [of Ecu 2bn - \$2.4bn] for the year as a whole".

had been discussion between the audit committee and the bank's finance department on whether the department should give a commitment to restrict the bank's ability to use underspending in some areas to offset overspending elsewhere without seeking board approval. Some bank executives have

been concerned that e reduction in their ability to transfer budget allocations between different cost centres would place excessive constraints on them.

says: "Committee members believed that, whilst there had been a need for considerable flexibility in the bank's early stages. this need was now less.

Overhaul at **EBRD** is called for

Continued from Page 1

budget director.

As e result of this "low output", Mr de Neergaard urged the bank to place "particular empha-

sis...on achievement of greater efficiency in merchant banking and development banking operations; the scrutiny of nonoperational expenditure; the reduction of the ratio of consultants to permanent staff...and the high proportion of centrally managed overheads". Before the board meeting there

But Mr de Neergaard's report

The price may be the same, but the quality isn't. QUALITY QUALITY THE NEW HP DESKJET 510 DOT MATRIX They both cost the same. Yet one is quicker, quieter, easier to use and has better print quality. Which would you choose? Exactly.

For information call

0344 369222



Job-creation plan for EC

Continued from Page 1

taxation systems"; new working time structures to share out jobs: "adaptibility at the workplace" and "new forms of work organisation": training systems to bring more people into work and "anticipate structural change" in industry; and exploitation of "new areas of work" like environmental industries.

The potential for Jobs in upgrading environmental standards is proposed as the strategy for the Belgian EC presidency beginning in July.

Continued from Page 1

and Moslems, but resoundingly rejected by the Bosnian Serbs. Mr Churkin, who arrived in Belgrade vesterday in an attempt to persuade Yugoslav and Serbian leaders to accept the deployment of UN monitors along Serbia's borders with Bosnia, said the new Bosnian strategy reflected "some aspects of the implementation of the Vance-Owen plan".

He defended the Washington agreement and suggested that its fierce rejection by President Alija Izetbegovic of Bosnia was unwarranted. Mr Izetbegovic has

Owen to consult EC leaders asserted that it rewarded "Ser-

bian aggression and genocide". Frances Williams adds from Geneva: General Philippe Morilion, the UN commander for Bosnia, denied yesterday that the Vance-Owen peace plan was dead and said the safe havens established by the five-power deal reached at the weekend were only a first step".

"All we are doing is in the spirit and the letter" of the Vance-Owen plan, he said after a 11/4-hour meeting with Lord Owen in Geneva. "This is also what I understood in my reading of the declaration of the five."

World Weather

FINANCIAL TIMES

COMPANIES & MARKETS

OTHE FINANCIAL TIMES LIMITED 1993

Tuesday May 25 1993



INSIDE

Suzuki unveils fall of 3% in year

Suzuki Motor, Japan's largest minicar producer and the world's third-largest motorcycle manufacturer, yesterday announced a 3 per cent fall in pretax profits to Y20.5bn (\$186m) for the year to March. Page 21

Carlsberg flat midway

Weak demand in a number of markets, combined with adverse currency swings, has left Carlsberg, the Danish brewer, with profits little changed for the first six months. Page 20

One headache for farmers ends



The majority of British farmers who have filled in the necessary complicated forms to get compensation can now wait for the money to arrive. Page 26

Dublin seeks Telecom alliances

The Irish government yesterday confirmed that it is seeking a strategic alliance for Telecom Eireann, its national telecommunications utility. However it emphatically ruled out privatisation. Page 24

Nikon falis into loss

Nikon, the Japanese camera and precision instruments manufacturer, yesterday reported a plunge into pre-tax losses of Y2,33bn (\$21m) for the 12 months to March from profits of Y7.23bn the year before. This was the first loss incurred by the company since it was listed on the stock exchange in 1949, Page 23

Bourses decouple: from the Dow



Technical analysts were saying last week that European bourses had decoupled from the Dow. Record highs on Wall Street on Wednesday and Thursday seemed to enthusiasm on this side of the Atlantic. There were falls in Europe's three big-

gest equity markets - Germany, the UK and France.

Back Page

Market Statistics

Base lending rates
Benchmark Govt bonds
FT-A indices
FT-A world Indices Back
FT foced interest Indices
FT/ISMA Int bond svc
FT guide to currencies
Financial futures
Foreign exchanges
London recent Issues

London share servica Lifte equity options Managed fund service Money markets New int. bond Issues World commodity prices World stock mkt indices

May Dept Stores Microsoft

Companies in this issue

All-Tech investment Argyil
BP 07
BTR 27
Barlow Rand
Blackland Oil
Sowthorpe Brit Data Management
British Gas
British Telecom
CEA
Cable and Wireless
Cannon Street Invs
Carlsberg
Carlton Comm.
China Investment Tst
Downlbrae Holdings
Everoffer
Fermenta Fondiaria
Forte
Fujisawa Pharm
GM
General Mills
Grand Metropolitan
Harrison Industries
Hi-Tec Sports

Hoover Hyundal

Jarvis Porter

North American Gas 25 North West Water 19 Northumbrian Water 20 OMV 20 OMV
Queen Wilsons Hdgs
24 Plateau Mining
20 Radio Clyde
20 Richmond Oil & Gas
24 Scopbank 24 Securiguard 25 Severn Trent Water 22 Shlonogl 20 Sindali (William) 24 Solvay 21 South Staffs Water Specialeyes Suzuki Motor Telecom Elreann Tesco Unigate Volkswagen Waste Manage Welsh Water Wessex Water

Yorkshire Water

Chief price changes yesterday PARIS (FF) PRISES Ar Liquide Bencaire de Fails Er Sanoli Fonc Lyondales Gaumont (Soc) Orsel TOOKYO (Yosa) Places 528 490 1218 484

Acom Compute Argyll Group Barcom Sritannia Gro Casket Cloff Res Crossroads Oil Cassins Prod

Lopez denies he took GM papers to VW By Christopher Parkes in

VOLKSWAGEN'S top executives fought hack publicly yesterday against a renewed legal attack from arch-rival General Motors of

Mr José Ignacio Lopez de Arriortua, whom, GM belleves, took confidential documents with him when he defected from Detroit to VW last month, said the charge was "untenable".

"What did I bring with me? My personal knowledge and years of experience," Mr Lopez said. "A strong inner motivation. The will to realise quantum leaps at VW. No secret documents," he added.

"I can only imagine that GM has been so affected by my change that it wants to damage my credibility," he told selected journalists at a hastily-convened press conference. Mr Ferdinand Piech, Volkswagen chairman, publicly defended

Mr Lopez, it was incredible that anyone should try to discredit not only his "irreproachable proscionalism" hut also the image of VW itself, he said. VW was responsible for all its

own technological progress and had not the slightest need to take out "loans" from competitors. He could not discuss any other

details of the legal confrontation because he had not yet seen the text of the charges.

The press conference, in Braunschwelg, near Hannover, was called after General Motors announced on Friday that it had filed legal complaints in Darmstadt, near Frankfurt, after Mr Lopez quit GM to be promptly followed by seven group col-

VW officials said yesterday that while the seven had filed counter suits against their for-mer employer, Mr Lopez had not yet taken legal action.

Adam Opel, GM's German subsidiary, had earlier won a court injunction preventing VW from poaching its staff. According to Opel, Mr Lopez had targeted about 40 key purchasing and production employees.

Mr Lopez, a renowned cost-cut-ter, joined VW after a bizarre onoff tussle, as a key member of Mr Piech's new management team hrought in to restore the group's fortunes. VW lost DM1.25hn (\$760m) in the first three months of this year.

Mr Lopez, a Basque, claimed he

had no contract at GM, and denied rumours of multi-million dollar deals with VW. "I could earn a lot more today in the US than I get at VW," he added.

Solvay may be forced to close soda ash factory

By Andrew Hill in Brussels

FIERCE competition from the US and central and eastern Europe could force Solvay, the Belgian chemicals company, to cut up to 10 per cent of its soda ash production capacity this year including the closure of its first soda ash plant in Belgium.

warned that 1993 earnings would fall steeply, has lodged formal complaints with the European Commission against alleged "dumping" of cheap natural US soda ash on the EC market, and asked for measures to protect the industry from cheap Polish, Bulgarian and Romanian imports.

Solvay said yesterday it would have to stop production at its 129-year-old Couillet plant in Belgium this year. Losses at the plant had grown to an "unac-ceptable" BFr800m (\$23.95m) a year, despite repeated attempts

to reduce fixed costs. The group is also considering the closure of its Heilbronn soda ash factory in west Germany, and will concentrate on larger

Up to 540 jobs could be lost at the factories, although sodium silicate and calcium chloride activities will be maintained at

Last year, the group cut 1,700 jobs and a spokesman said yesterday that at least the same number would be lost this year. Solvey said US and east Euro-

a year accounted for more than 13 per cent of total EC consumntion of soda ash, which is used in the production of glass, detergent, soap, adhesives and

Solvay, which pioneered the production of man-made soda ash, is the largest producer, hut recession and overcapacity have

hit the industry.

Excluding extraordinary items, Solvay's net consolidated profits fell 14 per cent last year. to BFr8.41hn from BFr9.79bn.

In the alkalis sector, including soda ash, earnings before interest, tax and charges slipped to BFr5.6bn from BFr6.13hn, although Solvay said yesterday that world demand for soda ash was still growing.

UK government offers encouragement to buy BT shares before sale

By Roland Rudd and Vladimir Matejovsky in London

INSTITUTIONAL shareholders which increase their holdings in BT, the UK telecom group, in the run-up to the sale of the government's 21.9 per cent stake will be given greater allocation.

The move, announced yester-

day at the launch of the BT marketing campaign, is designed to prevent institutions from trying to depress the company's share price over the next few months. Big shareholders which increase their stake in BT between May 21 and the close of the offer period in July will be given favourable allocation if, as

expected, the offer is oversub-scribed. The sale is worth more than £5hn (\$7.7bn). SG Warburg, the government's global co-ordinator, is anxious to avoid the row which flared up with institutions in the last sale

of BT shares in 1991. Lord Cairns, Warburg chief executive, said that he favoured offering a "carrot" by rewarding hig shareholders which increased their BT holdings instead of using a "stick" hy penalising institutions trying to depress the

share price In practice, any institution which "aggressively shorts the stock", in an attempt to push the BT price down, is still likely to be penalised when the new shares are allocated.

tion analyst at Kleinwort Benson, which decided not to take part in the sale when it was not chosen as a global manager, said: "It looks like blatant rigging of the market." One UK fund manager said: "The government is trying to support BT's share price in dvance of the sale of its shares which one would normally call

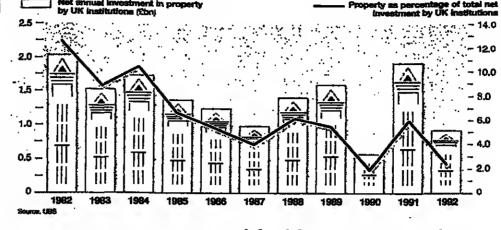
Mr Tim Hirst, telecommunica-

However, most UK institutions yesterday welcomed what several described as "Warburg's more constructive approach to the sale". As in previous sales, the new BT shares will be offered in three instalments expected to be spread over a period of 12 to 18

The first instalment for retail investors will be announced in the middle of June and set at a lower price than the first instalment for institutions which will be set on June 29 when the prospectus is published.

The second and third instalment will be the same for both investors; the last will be priced at the end of the offer period depending on the BT share price at the time. At least half of the shares will

be offered to small shareholders, who will be given incentives, such as bonus shares. The government is writing to 18m households in the UK asking potential investors to register their interest in the sale.



investors ready to end long retreat from property

K COMMERCIAL property, the pariah of the investment markets for the past three years, is edging back into favour, writes Vanessa

A Gallup survey for Smith New Court reported last week that a balance of 12 per cent of UK fund managers want to increase their UK property holdings in May; two months earlier, the same survey found that a majority of funds wanted to disinvest.

Increased institutional interest in property has also heen detected hy agents. "There are definite signs of a sea change in investment activity." says Mr Greg Nicholson of Hillier Parker, chartered surveyors. "The insti-tutions have moved back into the market." Increased demand has already pushed down investment yields in small pockets of the market, notably retail warehouses and high yielding office buildings in central London,

In part, the increased demand from institutions stems from the need to rehuild the balance of property in their portfolios, after the drastic underperformance of property in the past three years. At the same time, a growing number of investors believes the

property market is near the hotinm of its cycle and will begin to recover within the next 18 months. The industry's prospects have improved significantly since sterling's withdrawal from the exchange rate mechanism, which paved the way for lower interest rates, economic recovery and potentially a revival in inflation, which enhances the investment appeal of assets like property.

The appeal of property can also be ascribed to its high investment yields, compared with those offered by equity and gilts, "It is a rational response to the eco-nomic circumstances we are facing," says Mr Peter Lyon, strategist at Smith New Conrt

But the enthusiasm for prop-erty is tempered by a number of caveats. On a practical level, the funds' investment criteria are so demanding that they have difficulty in finding property they are prepared to invest in. On a strate-

Buildings take on new air of respectability

gic level, many funds doubt whether property still has e valuable role to play in diversifying risk. The renewed enthusiasm for property is demonstrated by a

relatively small number of funds. In a market glutted with unwanted property, the difficulty in obtaining suitable huildings is a surprisingly serious obstacle. Finding stock is a "fundamental problem" says Mr Andrew Strang of Allied Dunbar, which invested about £100m over the last year. Being risk-averse, most institu-

tions want to huy properties with highly secure income streams. They have virtually no interest in the huge number of second-rate properties which overhang the market.

But the number of properties with long leases let to financially secure tenants is limited to as little as a fifth of the market: moreover, many are in the hands of long-term investors which are reluctant to sell.

As the economy recovers, concern about tenants' ahility to pay the rent will ease. But even then, it is unclear whether institutions will he willing to invest in a wider range of properties. Changes to the UK commercial leass have reduced the security of income associated with property. Unless institutions adopt a security of property income, there could be a depleting stock of desirable acquisitions, forcing up prices of a limited number of properties still further.

This trend will only continue until an improvement in prices persuades existing investors to put more property on the market. This could happen sooner than most pundits think. A recent survey of investors' intentions by

Gallup suggested that the institu-tions polled planned to sell nearly as much property as they intended to huy. The 37 institutions questioned said that, in aggregate, they would spend £770m and raise £750m from sales

over the next year. It is scarcely surprising that institutions' attitudes to property differ: the arguments for and against huying property are finely balanced. Although property yields have moved substantially above gilt yields for the first time in many fund managers' memories, that does not necessarily mean that property is cheap. Investors have to weigh up a property's generous yield against its limited prospects of rental growth, the risk of tenant default and costs arising from the building's physical deterioration.

urthermore, attitudes to property differ according to the type of fund. The insurance companies have tended to be steadier and more enthusiastle huyers than the pension funds, many of which view property as too illiquid an investment

Size has an important bearing on funds' appetite for property. The number of funds that are active in the property market has ago to a couple of dozen, according to the investment Property Databank, a research group. "Small funds are put off hy the

way that the market has become terrihly complicated," says Mr Rupert Nabarro, a director of IPD. The property market is not homogeneous: it is split into many tiers depending on sector, region, tenant and type of lease. investors are also nervous

about the erosion of tenants' responsibility to pay rent for the full duration of a 25-year lease, which stems from the improved bargaining position of tenants in an oversupplied market and from proposed changes to the law.

Many funds feel that property no longer has a role to plsy in their portfolios. In the 1970s, it was seen as a good way of hedging against inflation while reducing the risk and volatility of a portfolio. By 1981, property accounted for 24 per cent of life assurance companies' portfolios and 15 per cent of pension funds.

But property went out of fashion with the institutions in the 1980s. In real terms, the net investment in property hy insti-tutions hetweeo 1983 and 1992 was just over half the total for the previous decade.

This largely resulted from the removal of exchange controls that allowed funds to invest in overseas equities, which were often seeo as a better way to diversify risk than property. in the five years to end 1992, institu-tions invested £33.2bn (\$51hn) in overseas equities, compared with

26.5hn in UK property.

Some analysts, such as UBS, reckon that the halance between overseas equities and property may soon reach equilibrium, as they now represent about 18 per cent and 8 per cent of institu-tional funds, respectively.

But that does not necessarily mean that a larger proportion of new funds would be channelled into property. The events of the past four or five years bave damaged property's record of low volatility in returns, beighteoing investors' perception of the risk in property investment," says Mr John Atkins of UBS. For all these reason

tutions are unlikely to play a large part in pulling the market out of its slump, as they did in the wake of the crash of 1974-75.

But those funds that do take the plunge have a strong case for believing that they are investing near the bottom of the property cycle. Although property has a slim chance of becoming fashionable, it may at lesst become

Oil and gas side helps OMV to cut operating loss

By Ian Rodger in Zurich

OMV, the Austrian integrated oil and chemicals group, reported a smaller operating loss in the first quarter due to recovery in its energy businesses. However, losses worsened in its chemicals and plastics operations.

The first-quarter loss was Sch135m (\$11.8m) compared with a loss of Sch247m in the same period of 1992. Turnover was up 7 per cent at Sch20.33bn, but the group cautioned that the growth was due to the inclusion of new activities in its accounts.

OMV said the period was marked by better conditions towards the end of the quarter than at the beginning of the

The chemical division tumbled to a loss of Sch100m, after breaktng even in the comparable period, because of "extremely difficult" conditions in industrial chemicals, such as melamine Agro-chemicals, on the other hand, made a profit, as volume sales of fertilisers were high towards the end of the quarter. A small increase in prices for plastics towards the end of the quarter was not enough to prevent a widened loss of Sch490m in this division.

The exploration and production division raised its profit from Sch50m to Sch180m due to an increase in crude oil prices and the sale of the Canadian subsidiary. One quarter of the C\$180m proceeds was taken into the accounts.

The gas division's operating profit jumped 40 per cent to Sch450m on turnover up only 2.9 per cent to Sch2.12bn. The group said the profitability of importing, transporting and storing gas

"M. Eiffel, the idea that we might finance your monstrous tower is laughable, as is your suggestion. that it will one day become a tourist attraction."

Having the capital to back a big idea is only half the secret. Having the vision to spot one is the other half.



BCE to

Energy

hold 16.5%

in Talisman

By Robert Gibbens in Montreal

RCE. Canada's biggest telecom

gronp, will have a 16.5 per cent interest in Talisman

Energy, the formar BP Can-

ada, as a result of tendering

its Encor common and con-vertible preferred shares to

Talisman under a revised

The value of this holding

will he about C\$275m

(US\$217m) at present market

through its holding of Encor common and convertible pre-

ferred. Talisman, now an inde-

pendent upstream oil and gas

producer, made an offer for Encor early this year and fol-lowing criticism from institu-

tional investors, revised it

Encor abareholders late last

week approved the latest offer.

BCE is expected to divert its

Talismao holding later, because it has decided to leave

the energy field and concen-trate on its telecom business.

Baer Holding

to increase

prices.

Weak demand restricts Carlsberg to flat period

By Hilary Barnes in Copenhagen

WEAK demand in a number of markets, combined with adverse currency swings, has left Carlsberg, the Danish brewer, with profits little changed for the first six

Pre-tax profits for the halfyear ended March were DKr4m higher at DKr694m (\$111.44m) after an improvement in net financial income to DKr214m from DKr190m.

Had earnings by non-Danish companies been translated at year earlier, pre-tax profits would have been some DKr50m higher, the group said.

Operating profits (after depreciation) dipped to DKr480m from DKr500m, including a DKr90m increase in depreciation. Sales were 8 per cent higher at DKr7.25bn. zainst DKr6.66bn. The Carlsherg Tetley joint

venture in the UK, which came into effect from December 12 last year, are included in the results. The venture contributed to the rise in sales, although specific detail is not provided.

*It is much too early to say

tley. It has been too short a period," said Mr Walther Paulsen, a member of the Carlsberg board of management.

The joint venture shows up in the balance aheet, with total assets of the group increasing to DKr18.29bn from DKr14.92ho at the end of September last

Carlsberg said that the recession would cause a decline in operating profits for the full year, hut this would be offset by increased financial income, barring adverse foreign exchange and interest rate

FONDIARIA, the Italian insurance group which is expected to announce heavy losses later this week, is to sell for DM170.9m (\$105m) its onethird stake in the Epic insurance partnership.

Epic (European Partners for Insurance Co-operation) was set up in February 1992 by Fondiaria, Royal Insurance of the UK and Germany's Aachener und Münchener Beteiligungs as a step towards European insurance co-operation.

While each company decided

ence, European expansioo outside their home countries was to have been co-ordinated. Under the terms of Epic's creation, the stake has to be bought hy AMB should Royal not huy it first. Epic's main activity is Royal's former Dutch husiness, and various other European husiness ceded

by the three partoers. The latest move follows Fondiaria's DM985m sale this month of its 21 per cent stake in AMB to a group of German institutions.

As with the AMB shares, Fondiaria's Epic stake, held by to majotain its jodepend- its Latina subsidiary, will offi-

cially change hands only at the eod of May 1994. The Italian company is likely to use a hank intermediary to receive the cash earlier to cut dehts.

Foodiaria and AMB will also unscramble two remaining financial transactions, with Fondiaria selling AMB its 30 per cent stake in AMFO, the former Fondiaria Verwaltungs, for DM198m. AMFO controls 25 per cent of the former

Volksfürsorge life group. Meanwhile, Fondiaria will huy hack the DM170m bond issued in 1990 and wholly underwritten hy the AMB

dividend By Ian Rodger

BAER Holding, the holding company of the Julius Baer private hanking group, has proposed a dividend of SFr25 per bearer share for the year to March 31 1993, np from

The dividend on the tightly. held registered shares is to rise from SFr4.60 per share to SFr5.

The company's non-consolidated net profit rose 6 per cent to SFr41.9m (\$28.45m).

Baer Holding also proposes changing its year-end to December 31 to coincide with that of the group. The group has already reported net income of SFr67.7m for calendar 1992, np 15 per

CEA Industrie profits decline 26%

CEA Industrie, the French atomic energy commission, yesterday announced a 26 per cent fall in net profits to FFr960m (\$175.34m) for last year, from FFr1.3bn in 1991. due to the impact of adverse exchange rates and sluggish demand in some markets.

Meanwhile, France's new conservative government appeared to soften its line on the future of CEA's involve-ment with SGS-Thomson, the Franco-Italian microchip manufacturer. The industry ministry squashed speculation that CEA would reduce its mvolvement with SGS-Thomson, in which it is one of the main French shareholders, by saying it would retain its existing

However, the ministry, which has already made clear it planned to adopt a far tougher approach in its relations with state-controlled companies such as CEA and SGS-Thomson, said long-term links between the two companies would be reviewed.

The new government has also stressed it would be much more rigorous in its provision of financial support to public

profits were stable.

an upswing."

sector concerns, although the industry ministry said CEA would continue to participate in the recapitalisation of SGS-Thomson.

CEA saw turnover rise from FFr38.9hn to FFr39.18hn last year, due largely to an increase in sales outside France. The proportion of sales generated from other countries rose to 34.3 per cent from 28.2 per cent over the same period.

The group identified its main problems last year as the difficult condition of the mining industry and poor demand for capital goods. CEA, like other French companies, was also

affected in the closing months of 1992 by the strength of the franc following the September JAPANESE

Govern

to overs

liquidat

of bank

currency crisis. Operating profits rose to FFr3.24bn from FFr1.68bn But group net profits were hit by an exceptional deficit of FFr322m against an exceptional credit of FFr2.25bn in

the previous year. CEA does, however, hope to secure growth this year through the inclusion of SGS Thomson's semi-conductor operations, the mines recently acquired from the Total oil group and the Sopha medical

Rationalisation

Holderbank sees payout boost BCE controlled Encor, the former exploration subsidiary of TransCanada PipeLines,

By lan Rodger in Zurich

HOLDERBANK Financière Glaris, one of the world's largest cement producers, expects its 1993 net profits to be "on a par" with the 1992 level of SFr390m (\$264.85m).

Mr Thomas Schmidheiny, chairman, also indicated that the dividend for 1993 should be sharply increased following the 54 per cent rise in profit last

"The dividend certainly cannot remain at the previous level." Mr Schmidbeiny said after the group's annual press conference. The directors have already proposed that the dividend for 1992 be maintained at SFr12.50 per hearer share.

Sales in the first quarter

By Christopher Brown-Hume

FINLAND'S government guarantee fund has agreed to

inject a further FM700m

(\$125m) into Skophank, one of

the country's leading hanks, to

ensure it continues to meet

international capital adequacy

used to subscribe to the bank's

capital certificates, means the

haok has now received

FM3.7ho in support from the

government guarantee fund

and a further FM600m in state

preference capital to help it over Finland's banking crisis.

The infusion, which will be

in Stockholm

FINLAND'S

requirements.

the recovery continued.

were up "1 or 2" per cent and clinker sales last year rose 12.2 per cent to 43.1m tonnes, with Mr Schmidheiny said the sales in Latin America rising 14.4 per cent to 10.3m tonnes economic environment this year would be even tougher and European sales up 18 per than that in 1992. "Regions experiencing huoyant construccent to 13.3m tonnes.

Return on operating assets was strongest in Latin America at 19.7 per cent followed by 9.9 per cent in Europe and only 0.4 per cent in North America.

Mr Schmidheiny forecast that the group's cement deliveries this year would rise 4.4 per cent to 45m tonnes.

Mr Urs Bieri, a member of the executive committee, said Holderhank was seeking to improve its market position in Asia, and was actively looking for acquisitions in Vietnam,

the Savings Bank of Finland, which is also in state

Merrill Lynch is currently studying reorganisation options for both hanks,

including a merger of the two.

Earlier discussions which

might have led to them

heing taken over hy Kansallis-Osake-Pankki, the

country's leading commercial

hank, have been adjourned.

pending the presentation of the

The government guarantee

fund owns 63 per cent of the

votes in Skopbank and 53 per

Merrill Lynch report.

cent of the shares.

ownership

to produce "further gratifying The group's total cement and

Injection of FM700m for Skopbank

A further FM13.8bn was

invested in a rescue of Skopbank by the Bank of

Finland in September 1991

prior to its transfer to the

state's guarantee fund in June

Las: year, the hank sustained a FM3.61hn loss and

its capital adequacy ratio

slumped to 8.2 per cent at the year-end, just over the 8 per

cent international minimum.

Skopbank had already

indicated it might need

FML5on of extra support this

The government has yet to

decide on the future of Skoohank, the central bank for

tion activity can no longer

expect impressive growth, and other areas are unlikely to see

He expected a drop in demand in Europe and said the

succeas of US operations

depended largely on whether

Latin American markets,

which contributed substan-

tially to the jump in group

profits last year, were expected

lifts Incentive to SKr83m By Hugh Carnegy In Stockholm

PROFITS at Sweden's Incentive, the industrial group controlled by the Wallenber family, were up by 54 per cent in the first quarter to SKr83m (\$11.38m), excluding associated companies, from SKr54m despite flat demand in the group's main European mar-kets which left sales unchanged at SKr2.98bn.

Incentive attributed the improved profitability to a rationalisation programme aimed at narrowing the group's focus on core engineering operations.

Last week, it announced the sale of its US hydraulies group, Hägglunds Denison Hydraulics, which has sales of around \$100m, to a group of Swedish, US and British inves-Finland's savings banks, and

Mr Mikael Lilius, chief executive, said the effects of last antumn'a devaluation of the Swedish kroner would have a positive impact on full-year earnings, which were forecast to improve over last year's SKr371m, excluding associated companies.

First-quarter profits after inclusion of income from shareholdings in Asea, Electrolux and Esah were SKr282m, compared with SKr238m a year ago.

Earnings per share, excluding non-recurring items, were up 5 per cent at SKr2, com-

Fondiaria to sell stake in Epic

By Haig Simonian In Milan

new London independent tele-

vision company, went into

trading profit in its third

month on air, a better perfor-

The company, which took

over from Thames Television

on January 1, lost \$4.2m

(\$6.46m) in the first quarter

compared with the 25m to

200m forecast and, as advertis-

ing revenues continue to rise.

By Raymond Snoddy

mance than expected.

Carlton Television in the black

CARLTON TELEVISION, the The first news on Carlton

is not expected to slip into trading loss again. The loss, which is likely to

CREDIT SUISSE FIRST BOSTON ITALIA

BANQUE INTERNATIONALE A LUXEMBOURG S.A.

ISTITUTO BANCARIO SAN PAOLO DI TORINO S.E.A.

BANCA D'AMERICA E D'ITALIA

BANCA COMMERCIALE ITALIANA

AAN AMRO BANK N.V.

BANCA EUROMOBILIARE

SANCO DI NAPOLI

COMMERZBANK

CREDITO FIALIANO

GEMINA EUROPE BANK S.A.

MORGAN STANLEY INTERNATIONAL

SANWA INTERNATIONAL PLC

includes the bid money paid to the government as well as interest oo the £80m launch

Television came yesterday as its parent, Carlton Communications, announced a 16 oer cent increase in pre-tax profils to \$55 Im for the six months to the end of March. Turnover rose 57 per cent to £508m and earnings per share was up 14 per cent to 18.3p. The interim divideod is up 10 per cent to

Mr Michael Green, chairman of the broadcasting and television services group, said it still had net caso of £50m after the

The interpretation appears as a matter or ground only

Nordic Investment Bank

Italian Lire 200,000,000,000

10.80 per cent. Notes due 2003

IMI Bank (Lux) S.A.

CREDIT COMMINAL OF BELGIQUE S.A./GEMEENTEKREDIET VAN BELGIË N.V.

KREOJETBANK INTERNATIONAL GROUP

GENERALE BANK

ASLK-CGER BANK

BANCA DI ROMA

CARIPLO S.E.A.

DRESONER BANK

BANCA NAZIONALE DEL LAVORO

CRÉDIT COMMERCIAL DE FRANCE

ITALIAN INTERNATIONAL BANK PLC

SAMUEL MONTAGU & CO. LIMITED

PARIBAS CAPITAL MARKETS

SWISS BANK CORPORATION

HELABA FRANKFURT LANDESBANK HESSEN-THUERINGEN

BANQUE BRUXELLES LAMBERT S.A.

financing costs of Carlton Tele-vision. "The year has started well and Cariton is confident that the outcome for the year as a whole will show continued

progress," Mr Greeo said, Carlton Communications' results were in line with market forecasts. Its share price closed down in at 733p.

Carlton has made clear it is interested in huying a leading ITV company if the ownership rules change. Under the 1990 Broadcasting Act a company such as Carlton which is defined as large could only take over one of the smallest five ITV companies.



£76,000,000

74 per cent. Convertible Subordinated Bonds due 2007

Notice to the holders of the Bonds pursuant to Conditioo 5 of the terms and conditioos of the Bonds (the "Bond Cooditions")

On 5th May, 1993 Royal Insurance announced its proposal for the issue of up to 162,148,802 new Ordinary Shares by way of rights to ordinary shareholders on the register as at the close of business on 14th May, 1993 at a price of 255p per share on the basis of I new Ordinary Share for every 3 Ordinary Shares held. Royal Insurance hereby gives notice that the Conversion Price (in defined it, the tional Conditions) will be adjusted (in accordance with the Bond Conditions) from 312.8p per Ordinary Share to 297p per Ordinary Share.

PETROFINA S.A.

Office: 52, rue de l'Industrie - B-1040 Bruxelles

VAT nº 403.079.441 - R.C. Bruxelles nº 227.957

DIVIDEND NOTICE

At the Annual General Meeting held up Mny 14, 1993, the Shareholders approved a dividend payment of BEF 280 (or REF 210 net after deduction of withholding tax) in respect of 23.126.703 shares outstanding at December 31, 1992, compons numbered 8 to 30 still attached. For the 125,000 AFV shares, with compons numbered 8 to 30 still attached, the dividend amounts to REF 224 net.

Smape litrarelles Lumbers — Odutivile de Dinague

Commerzbank Drutsche Bank Dresdner Bank ABN-AMRO Bank

Crédit Suisse Société de Banque Suisse Union de Banques Suis Credito Italiano Barclays Bank (Fenchurch St., London)

The dividend will be payable as from May 25, 1993 against coupon no 8 at.

CGER Banque Paribas Belgique Kredietbunk
Banque Nationale de Paris Crédit du Nord
Banque Internationale à Luxembourg Banque Générale du Luxe

Royal Insurance Holdings plc London EC3V 3QR

25th May, 1943

Royal Insurance

Royal Insurance Holdings plc ("Royal Insurance")

("the Bonds")

U.S. \$50,000 Note due

1

2

Property of the state of the st

U.S. \$250,000,000



BANK OF BOSTON CORPORATION

Subordinated

Floating Rate Notes Due 2001

Interest Rate Interest Period

24th August 1993

5% per annum 24th May 1993 24th August 1993 Interest Amount per

U.S. \$638.89

Credit Suisse First Boston Limited

BBBBB المؤمَّسَة الصربيَّة المصرِّفيَّة (ص٠٩٠٠) Arab Banking Corporation (B.S.C.)

(Incorporated with limited liability in The State of Bahrain) U.S. \$ 100 Million.

Floating Rate Notes Due 1996 and U.S. \$ 150 Million. Floating Rate Notes Due 2000 ed to the holders of the U.S. \$ 100 million floating

rate notes due 1996 and to the bolders of U.S. \$ 150 million floating rate notes due 1996 and to the bolders of U.S. \$ 150 million floating rates due 2000 issued by Arab Banking Corporation (B.S.C.) that the audited annual report and accounts for the year ended 31st December 1992 of Arab Banking Corporation (B.S.C.) are available and copies be obtained from the Bank at the following address in Bahrain:

Arab Banking Corporation (B.S.C.)
P.O. Box 5698, Manama, State of Bahrain or through the branch of the company at its address in London: Arab Banking Corporation (B.S.C.) ABC House, 1-5 Moorgate, London EC2R 6AB, England

CENTRALE NUCLEAIRE
EUROPEENNE A
NEUTRONS RAPIDES
S.A. - NERSA
FRF 700,000,000
GUARANTEED
FLOATING RATE NOTES
DUE 1996

For the period May 25, 1993 to August 25, 1993 the new rate has been fixed at 7,55468 % P.A. Next payment date: Audust 25, 1993 Coupon nr: 15 Amount: FRF193,06 for the denomination of FRF 10 000 FRF1930,64 for the denomination of FRF 100 000 THE PRINCIPAL PAYING AGENT SOGENAL SOCIETE GENERALE GROUP

15, avenue Emile Reute LUXEMBOURG

US\$ 100,000,000 SKOPBANK Floating Rate Notes dne 1994

UBS LIMITED

Interest Rate 3.5 % p. a. Interest Period May 24, 1993 August 23, 1993

US\$ 88.47 6

Agent Bank

interest Amount due on August 23, 1993 per US\$ 1,000 US\$ 10,000

Notice to the holders of the outstanding U.S. \$200,000,000 Floating Rate Notes Due 1997

REPAP ENTERPRISES INC.

Notice is hereby given to the holders of the above Notes that, at the Meeting of such holders convened by the Notice of Meeting published in the Financial Times and the Luxemburger Wort on 23rd April, 1993 and held at 10,30 a.m. (Toronto time) on 17th May, 1993, the Extraordinary Resolution set out in such Notice was duty passed. Accordingly the modifications to the Terms and Conditions of such Notes and the Trust Deed constituting them referred to in such Notice have been made with effect from 17th May, 1993 by means of a Supplemental Trust Deed of the same data.

REPAP ENTERPRISES INC.

BBL (Cayman) Limited USD 125,990,000 Guaranteed Floating Rate Notes doe 1997

3.80%

Interest Rate: Interest Period:

from 24th May, 1993 to 24th November, 1993 Interest payable per USD 250,000 Note: USD 4,855,56

USD 500,000 Note: USD 9,71 L11 By Fuji Bank (Luxembourg) S.A.

Mining Journal Gold Service We provide independent and authoritative coverage of gold bullion, gold shares and gold mining activities around the

Free samples of this publication are available from David Bird at: Mining Journal, 60 Worship Street, London EC2A 2HD. Tel; 071-377-2020

Fax: 071-247-4100

COMPANY **NOTICES**

LEEDS PERMANENT BUILDING SOCIETY £250,000,000 Floating Rate Notes Due 1997

Floating Rate Notes Due 1997
In accordance with the terms and conditions of the Notes, the interest rate for the period 24th May, 1993 to 24th August, 1993 has been fixed at 6.10% per annum. The interest payable on 24th August, 1993 against Coupon 14 will be £153.75 per £10,000 nominal and £1.537.53 per £100.000 nominal and £1,537.53 per £100,000

Agent Bank and Principal Paying Agent



10

40

(

\$

A

JAPANESE ROUND-UP

Government to oversee Weak domestic demand hits Suzuki liquidation of bank

By Robert Thomson in Tokyo

Sation

ntive

77

THE JAPANESE government is to oversee the liquidation of a financially-troubled credit association in Kamaishi, north-

ern Japan, after fears that a disorderly collapse of the insti-tution could undermine confidence in the regional banking Assets of Kamaishi Shinkin

Bank, which has Y44.8bn (\$406m) m deposits, will be distributed among a larger bank in the same area, Bank of Iwate, and two other institutions under a liquidation plan drafted by the Bank of Japan and the finance ministry.

The government plans to use funds from the Deposit Insurance Corporation (DIC), which insures deposits for up to Y10m, to ensure the success of tha liquidation.

Funds from the DIC have been used in the past to facilitate a merger of a troubled bank, but this is the first time money will be used for a liquidation, snggesting that the government was unable to find a larger institution willing to take over the bank, as is customary in these cases.

It is expected that between Yl0bn and Y20bn in funds will be needed from the corporation to cover losses at Kamaishi Shinkin, an institution similar to a credit union and traditionally reliant on small companies

Officials at the bank, which has 12 outlets, blame its plight on a particularly severe recession in the area brought on by troubles in the fishing industry and the closure of a large steal mill. However, they also hinted yesterday that "illegal lending" could also be responsible and promised to launch an investi-

Government officiala indicated that there were "management" problems at Kamaishi Shinkin, which generally means that an institution became carried away during the frenzied years of the late 1980s, when lending to by Japanese banks was com-

Kamaishi Shinkin says there has been no evidence of a run on its deposits, which have been stable over the past year. but it has an increasing pile of non-performing loans. A bank official said yesterday that "we thought there may be trouble because of the publicity", but there were no queues of deposi-

The Bank of Japan and the finance ministry were particularly concerned an unseemly collapse would fuel rumours that a range of small regional institutions are unstable, prompting a run on those banks or credit associations.

SUZUKI Motor, Japan's largest minicar producer and the world's third-largest motorcycle manufacturer, yesterday hlamed a 3 per cent fall in pretax profits to Y20.5bn (\$186m) for the year to March on a

costs and a plunge in financial income due to lower interest Suzuki, however, reported a 34 per cent rise in operating profits to Y22.9hn, helped by

combination of weak domestic

demand, higher non-operating

ductivity.

The results highlight the contrasting economic climates of developing countries, where the company's products have been in strong demand, and Japan, where demand for both motorcycles and cars has been

Strong demand for motor cycles in south-east Asia, China and Latin America offset otherwise difficult trading conditions for Suzuki, taking sales marginally higher to Y1,053bn

in developing countries where Suzuki has been focusing its efforts, the company benefited

from rising demand for its knock-down price compact cars and for its motorcycles in aouth-east Asla and South America. Exports of motorcycles rose 38 per cent in unit terms, help-

to increase by 18 per cent.

Suzuki - which is 3.4 per cent

owned by General Motors of the US - suffered from sagging

cent respectively in unit terms. The strength of the yen was a depressiog factor, with exchange rata losses accounting for Y3.7bn. The company expects the high yen and persistent economic weakness at home to continue to cloud its ing sales of motorcycles overall prospects in the current year. In the domeatic market,

Suzuki is forecasting a moderate improvement in sales to Y1,055bo but a fall in pre-tax profits to Y20hn for the year to March 1994.

demand for both minicars and

motorcycles, with sales drop-

ping by 21 per cent and 9 per

Tokio Marine and Fire receipts increase

By Robert Thomson

TOKIO Marine and Fire Insurance, the largest Japaneae non-life company, reported 5.6 per cent growth in premium receipts in the year ending in March, as the industry generally benefited from a highar rate card during the period

Pre-tax profit at Tokio Marine was down 1.4 per cent to Y83.7bn (\$758m), but the non-life companies have fared better than many Japanese financial institutions, hard hit by the collapse of stock and property prices over the past

Loss ratios for Tokio Marine were highest in the marine area at 83.6 per cent, and lowest on fire-related business at 39.5 per cent, down from 92.5 per cent in the previous year. Loss claims on car-related policies, accounting for just under half of tha total, were running at 63.1 per cent, unchanged from the previous

Tokio Marine said unrealised gains on securities holdings were Y1,931bn at end March, compared to Y1,955bn a year earlier, though gains oo for-eign securities holdings fell from Y3.3bn to Y428m.

company expects premiums to expand to Y1,230bn, reflecting the impact of a 10.6 per cent rise in premium charges in April, following a 7.4 per cent increase in mid-1991. Pre-tax profit is forecast at Y91bn, a Mitsui Marina and Fire

Insurance reported 4.2 per cent growth in premiums, and a 36.6 per cent lift in pre-tax profit to Y28.4hn. It reported a similar loss ratio to Tokio, 64.4 per cent, on car-related policies, 77 per cent in the marine area, and 37.8 per ceot oo fire, down from 65.3 per cent. This year, Mitsui Marine is Dai-Tokyo expecting that premiums Insurance.

growth in unconsolidated pre-

tax profits at Y57.5bn for the

current financial year, with net

profits at Y28bn, and a 6.7 per

cent increase in sales to

will rise from Y548.6hn to Y600bn, and forecasts a pre-tax profit marginally higher at Yasuda Fire and Marine

Insurance reported 4.6 per cent growth in premiums, but a 7.2 per ceot fall in pre-tax profit to Y37bn. However, the company expects premium growth of almost 10 per cent to Y890bn this year, and a pre-tax profit

Pre-tax profits were flat at Sumitomo Marine and Fire Insurance, 5 per cent higher at Nichido Fire and Marine Insurince, and 22 per cent lower at Dai-Tokyo Fire and Marine

Yamanouchi Pharmaceutical slides 6.5%

YAMANOUCHI Pharm. aceutical, a leading Japanese drug manufacturer, yesterday hlamed lower interest rates and capital increases at overseas subsidiaries for a 6.5 per cent fall in pre-tax profits to Y57.1bn (\$517m) for the year to

Net profits dropped by 13 per cent to Y27.2bn last year, while sales rose 7.9 per cent to Y243.6bn due to steady demand for the company's anti-ulcer drug in the Japanese market Yamanouchi's shares, which trade on the first section of the

under pressure from profit-taking during yesterday's session, ending Y60 lower at Y2,480.

ceutical sector analyst at UBS Securities, predicts pre-tax profit declines for the overall drug industry once the government establishes a fixed-priced system in an effort to control the expansion of healthcare

Fund cancellations behind late 1980s, when lending to stock and property speculators Kenwood's Y5.4bn deficit

By Robert Thomson in Tokyo

KENWOOD, tha Japanase audio equipment maker, reported net losses of Y5.4bn (\$49m) for the year to March after cancelling securities investment funds and restructuring an ailing financial affili-

The difficulties at Kenwood. which reported net profits of Y2.7bn in the previous year, are typical of those facing manufacturing companies which established special investment trusts in the late 1980s. Kenwood is also taking the

typical route of alectronics companies by expanding manMr Toshide Yoda, a pharma-

Drugs totalled about 30.8 per

cent of the entire healthcare bill in Japan last year, compared with less than 15 per cent in most western countries.

ufacturing operations in China

and Malaysia and cancelling a

planned telecommunications

plant in Japan, where relative

costs have been pushed higher

prices forced Kenwood to

report extraordinary losses of Y9.5bn, marking the end of its

by the yen's appreciation.

Asian markets.

• Fujisawa Pharmacentical, the Japanese drugmaker specialising In antihiotics, reported a 46.6 per cent rise in pre-tax profits to Y22.7bn last year due to strong sales of oral drugs. These sales increased by

4.2 per cent to Y236bn. However, the Osaka based Shn due to substantial eval-

Yamanouchi expects a slight shares of Fujisawa USA. These losses totalled about Y6.5hn. The company expects unchanged earnings for the current fiscal year, with pretax profits at Y210n, and sales

 Shionogi, a pharmaceutical maker engaged mainly in antiblotics, yesterday announced pre-tax profits climbed by 11.0 per ceut to Y21,60n for the last fiscal year, and attributed the gain to steady demand. Net profits increased by 15.8 per company posted a sharp 76.9 ceut to Y8.4bn, while sales per cent fall in net profits to moved 5.9 per ceot higher to

in first loss since stock listing

By Michlyo Nakamoto

NIKON, the Japanese camera and precision instruments mannfactnrer, yesterday reported a plunge into pre-tax losses of Y2.33bn (\$21m) for the 12 months to March from profits of Y7.28bn the year before. Sales fell 11 per cent to

This was the first loss incurred by the company since it was listed on the stock exchange in 1949. It followed depressed demand for its semiconductor equipment and precision instruments ceused by a sharp downturn in capital spending by Japanese corpora-

At the net level the company managed to stay in the black with profits of Y219m, down 93 per cent from Y3.32bn.

Nikon, which depends for 54.4 per cent of sales on exports, said its camera sales had also been under pressure dne to the downturn in consumer spending in Japan.

Compact cameras performed relatively well, but sales of single-lens reflex cameras and interchangeable lenses had been disappointing. Precision instruments were

particularly hard hit by the decline in capital spending hy semiconductor manufacturers. Sales of Nikon's machinery divisioo plunged 35 per cent in the domestic market against 4 per cent overseas.

Continuing weakness in capital spending by corporations and the slump in personal consumption, the sharp appreciation of the yen, trade friction and sluggishness in EC markets were expected to work against the rapid recovery of markets, Nikon said.

The company was working to raise efficiency, slim down operations and cut costs, it said. For exampla, it had moved some production to Soothaast Asia for the first time in order to deal with the

Nikon turns | Barlow Rand holds dividend despite fall in half-way earnings

By Philip Gawith In Johannesburg

BARLOW Rand, South Africa's largest industrial company, yesterday announced it would maintain its interim dividend at 54 cents per share despite a 5 per cent fall in earnings per share to 196 cents in the six months to March from 207.3 cents a year earlier.

Although the company predicted a sharper decline in profits in the second half, Mr Warren Clewlow, chairman. said he remained confident that the total dividend would be maintained at 173 cents per share. The results were in line with market predictions and followed a warning in January from Mr Clewlow that profits

were likely to be down.

Mr Derek Cooper, managing director, said the results - Barlow accounts for about 10 per cent of South African GDP showed that the ecocomy was "certainly not hoovant" It was difficult to see any improvement in the economy before 1994, and he cited business confidence and a political settle-ment as the key ingredients in any upturn. He said he remained optimistic that the politicians are on a path of rea-

sonable settlemeot. Turnover rose by 10 per cent to R18.7bn (\$5.9bn) from R17.1bn, but pressure in virtually all sectors manifested Itself in a 5 per cent drop in operating profits, before interest, to R1.3bn from R1.37bn. Interest paid fell by 9 per cent to R279m from R305m as a

result of lower interest rates

and reduced borrowings following the sale of Middelhurg Steel in December 1991. Attrib-utable profits feil by 4 per cent to R384m from R400m.

Results across the group were patchy. Some sectors per-formed well, ootahly packaging, pharmaceuticals, paint and motor interests and electronics. Other areas such as food, white and brown goods and earthmoving equipment struggled. A breakdown shows the main contributors to attrib utable earnings were:

 Mineral resources (mostly coal) - 23 per cent: ● Industry - 32 per cent;

 Packaging and textiles - 16 per cent: and

 Food and pharmaceuticals 18 per cent.

Mr Cooper said a feature of the results was that about 43 per cent of attributable profits came from consumer-oriented companies compared with 30 per cent three to four years ago. The main strategic thrust of the group in recent years had been to move away from commodities and closer to the consumer, seen to be the main growth area in future years as urbanisation cootinues.

Finanzauto, Barlow's receutly acquired Caterpillar dealership in Spain, was badly affected by the decline in the Spanish econolog and traded at a "substantial loss". Mr Cooper said Finanzauto's losses would continue for the rest of the financial year, but said Barlow's management and informatioo systems were now in place and he anticipated an upturn in the new year,

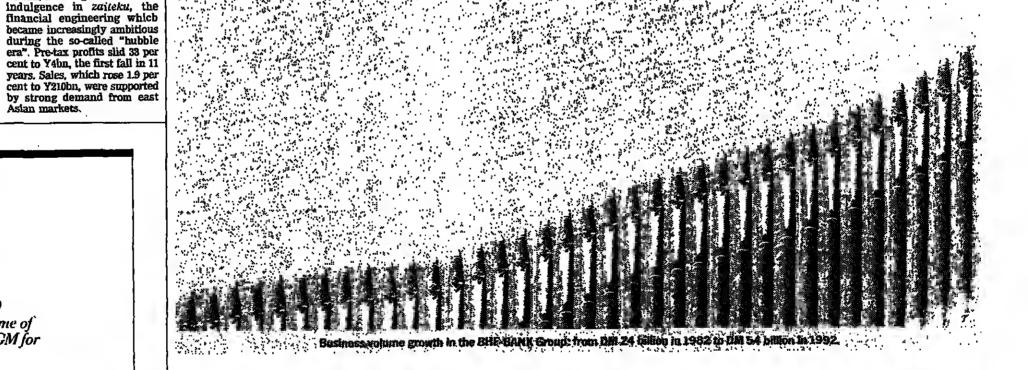
Hyundai to reduce subsidiaries

HYUNDAI, South Korea's largest business group, is to merge a number of its subsidiaries, reducing them from 44 to 36, AP-DJ reports.

lt will merge Korea Industry Service and Hyundai Steel Tower into Hyundai Electric; Hyundai Resources Develop-

ment into Hyundai Coro: and Hyundai Robot Industries into Hyundai Electronics. It will also sever managerial control of Keumgang Development Industrial; Hanmoo Shopping; Hyundal Marine and Fire Insurance: and Hyundai Aluminum industry.

Our 1992 balance: 22,123 training days



its staff's professional credentials and sense of responsibility can be crucial to a bank's success. That's why basic and advanced training programs are assigned such high priority at BHF-BANK. In 1992, our 2,800 employees spent an average of 3.6 days each at continuing education seminars alone.

This intensive personnel development helps explain our service quality: in everything from foreign trade financing and project funding, to portfolio management and corporate finance.

Quality service also means responding to the challenge of changing conditions on world markets: in 1992 we opened a representative office in Mexico, and our Vietnam branch commences operations in June 1993. Together with Crédit Commercial de France we will also have a majority holding in Britain's Charterhouse plc. And we have concluded an extensive

Capital and reserves are another major quality benchmark, and in this respect BHF-BANK has long led the German market with a 7.4% share of the balance sheet total.

In synergy, this performance generates the power which has enabled the BHFBANK Group to increase its operating result once again in 1992 - this time by nearly 7%.

ve	cooperation agreement with IK	(B Deutsche Indu	1
y	Conscituted 1992	1991 Percentaj g Dje ni. : change	
e	Bissipess solution 53,999 Total abouts 45,991	48430 411,5 42386 +10.7	
e	Landigie Volume. 39,769 Capital and reserves 4,389	35.210 +13.0 1.951 +18.6	
)	Operating result	A 28.	•
S	Brigdends in DM per altare. 13	ر بر العام الع العام العام ال	•



We will be pleased to send you our annual report for 1992.

Head office: 8ockenheimer Landstr. 10, 6000 Frankfurt am Main L, Tel. (069) 718-0, Fax (069) 718-2296, Tx 411026 (general). London branch: 6I Queen Street, London EC4R IAE, Tel. (07I) 6342300, 8HF-8ANK London branch is a member of the SFA. Branches, subsidiaries and representative offices in Anisterdam, Bogotá, Bombay, Suenos Aires, Hong Kong, Jersey, Johannesburg, Los Angeles, Luxembourg, Madrid, Melbourne, Mexico, Milan, NewYork, Paris, Rio de Janeiro, Singapore, Tehran, Tokyo and Zurich.

ELECTRABEL

Exchange offer on BF19,870,325,000 privately placed debt issued in the name of EBES, Intercom, Unerg, Sautrac & ACM for

Electrabel 74% due 1998 Electrabel 7%% due 2000

Electrabel 71/2% due 2003 with 86% of the outstanding amount being

Lead managers Generale Bank

exchanged.

J.P. Morgan

The undersigned acted as arranger for Electrabel in this transaction.

JPMorgan

30 April 1993 This are

INTERNATIONAL COMPANIES AND FINANCE

Profits warning lowers Kellogg's share price 5%

By Jeremy Bennallack-Hart

A WARNING on secondquarter earnings sent Kellogg's share price sharply lower yes-

The US cereals group expects earnings per share in the quarter to be about 10 per cent lower than the 68 cents in the same period last year.

It sees record earnings per share for the full year but achieving double-digit growth over last year's \$2.75 a share "will be challenging", it added. By early afternoon, the

shares were down \$2%, or some

5 per cent, to \$53% on Wall Mr Arnold Langbo, chairman and chief executive officer, said they were being hit in the short term by "slower-than-expected recoveries from recession in key markets such as Europe, Mexico and Australia These conditions are heing

foreign currency exchange rates and by trade inventory adiustments.' The company remained opti-

complicated by unfavourable

mistic about its global growth

Last month, the group reported first-quarter earnings per share 7 per cent higher at 74 cents, excluding one off

· General Mills, the packaged foods and restaurants group, is to restructure some of its consumer foods manufacturing facilities and close some restaurants to help offset the impact of expected new federal tax and healthcare poli-

The company said yesterday It would take a fourth-quarter charge of \$45m to \$50m (28 to 30 cents a share). It expected the actions to lead to \$15m in after tax savings savings (9 cents) in fiscal 1994.

A total of 31 of the company's 1,075 restaurants in North America will be shut down, half of the closures coming in

Mr Bruce Atwater, chairman, said fourth-quarter operating performance was expected to be on target as were the full-year results before excep-

US marketmakers fight back against the nerds *

N THE wall of an office at the small upstate New York securities firm of All-Tech Investment Group, a magazine beadline is proudly displayed. It reads:

'Revenge of the Nerds". To the All-Tech clients occupying the office, the headline is an in-joke, a reference to the fact they spend their days in windowless rooms staring at computer screens filled with stock prices.

To the marketmakers and dealers of the big Wall Street firms, the people at All-Tech · a collection of former bartenders, truck drivers, accountants and beauty consultants turned "professional investors" - are nerds of the most annoying

Although they classify them-

selves as investors, the men and women who have found a second career huying and selling small amounts of stock via computerised automatic share execution system, are essentially stock market traders. They spend their days trading on the Small Order Execution System, a system run by the National Association of Securities Dealers. SOES was established in 1988 to allow individual investors to buy and sell small amounts of stock, without having to go

At All-Tech, the SOES traders concentrate on the marketmakers' quotes - the prices at which marketmaking firms indicate they are willing to buy and sell shares - waiting for one marketmaker to lag behind in updating his quote when a

share price moves. When they spot these temporary price discrepancies, SOES traders immediately buy or sell the stock at the price quoted by the slow marketmaker. The marketmakers cannot escape the trade, because under SOES rules, they must take up to 5,000 shares worth of trades before changing their quote.

A few minutes later, when all the prices have moved back in line, the traders unwind their earlier order. If they bought a stock low, they sell it back high, if they sold high, they huy it back low. The difference represents their profit.

lthough the amount of stock traded each time is small, those profits can add up. If a trader exploits a quarter of a point (25 cents) difference hetween marketmakers' prices, he can earn a \$250 profit on the maximum SOES trade of 1,000 shares.

Good SOES traders can pocket several thousand dollars a week, and the very best earn an annual income well into six figures. There is nothing illegal about what SOES traders do, tomer business. vet marketmaking firms on SOES are so angry at being

they have pushed the NASD into taking action. In the past few months the NASD has tried to change

"picked off" by the traders

give marketmakers the choice of accepting or rejecting cus-

The tightening of the "professional trader" definition has not hurt the SOES traders because the rule change has been temporarily blocked while All-Tech and other firms challenge it in the courts. The

other proposed changes are some key SOES rules to curb Small investors, defined as 'professional traders', are upsetting some of Wall Street's biggest firms.

Patrick Harverson reports

the SOES traders. It narrowed the definition of "professional traders", who are banned from using SOES, to anyone trading on the system more than four

times a day. Since then, the NASD has proposed other changes, including reducing the order size from 1,000 shares to 500 for which marketmakers must guarantee firm quotes on SOES, and giving marketmakers more time to change their quotes after taking the first antomatic order. Ultimately, the NASD wants to change SOES from an automatic trade execution system to a simple

order delivery system that will

before the Securities and Exchange Commission, awaiting approval

The NASD justifies attempts to shut the traders out of SOES on the grounds they are exploiting a system designed for small investors, not professional traders. A NASD spokeswoman says: "They are not investors, because they immediately unwind their trades

after executing them." The NASD also contends marketmakers are losing money because of the SOES traders. There are 29 brokerage firms offering a home to SOES traders, and at times, says the NASD, marketmakers are hit by "wave after wave" of automatic orders from these traders, leaving them thousands of dollars out of pocket each time. Moreover, the NASD insists

marketmakers are not the only ones to suffer from the SOES traders' activities. It says that, to make up for losses incurred at the hands of the SOES traders, marketmakers have been widening price spreads – something that hurts all investors who use the system. Additionally, the NASD says the traders' activity increases stock price volatility and damages

The SOES traders deny such claims. Mr Harvey Houtkin, chief executive of All Tech, says there is no convincing evidence the traders have either forced marketmakers to widen their spreads, or their activities have added to volatility. Mr Houtkin says his customers add liquidity to the market.

He fears if the NASD is allowed to change its rules SOES will be placed off-limits not just to his clients but to a wide range of users, hindering efficiency and liquidity in the OTC market. Ultimately, Mr Houtkin says the NASD, which bills itself as the stock market of the 21st century, will kill off the one trading system with the potential to be the blueprint for the market of the

There is now an uneasy impasse between the two sides. with the court not expected to rule on All-Tech's appeal for

several months. While trading on SOES is only a small part of the total business conducted on US stock markets, the row between the NASD and the traders has wider implications

GOVERNA

Asian

t a time when the Securities and Exchange Commission is investigating possible changes to the structure of US stock markets. the SOES controversy raises an important question: who does the NASD run its stock market for - investors, or the marketmaking professionals who operate the system?

The people at All-Tech and advocates of computerised trading in the US argue that if the NASD were putting the interests of investors first, it would not only allow them to trade on SOES, but would also develop SOES into an automated trading system on which evaryone - hig and amall investors, brokers and marketmakers - could trade directly with each other. Only then, says Mr Houtkin, would the NASD live up to its billing as the stock market for the

Fermenta back in the black at 4-month stage

By Christopher Brown-Humes in Stockholm

FERMENTA, the Swedish pharmaceuticals group, made a profit after financial items of SKr8m (S1.1m) in the first four months, turning round a SKr29m loss in the correspond-

ing period of 1992. The company attributed the improvement to lower interest costs and favourable foreign

currency movements. It said It expected the fullyear result to be considerably better than last year, when it recorded a loss after financial items of SKr115m. Fermenta is anticipating a positive operating result and even a positive overall result, although cur-rency and interest rate factors will not be as beneficial over the rest of the year as in the

first four months. Turnover in the first four months amounted to SKr174m, up 25 per cent from SKr139m

The group said increased volumes and the stronger dollar contributed to the rise, which emounted to 50 per cent when adjusted for comparable units. The profit after extraordinary items was Skr8m, compared

with a SKr49m loss last year. The group's financial posttion has strengthened markedly over the last year, following a refocusing on its core pharmaceutical activities. Interest-bearing debt amounted to SKr310m at the end of April, compared with SKr1.72hn a year ago, and SKr734m at the end of last year.

To a per suite errent appoars us a carrier of record con-

By Geof Wheelwright

through an intermediary.

US INVESTORS and financial analysts are expected to react positively to Microsoft Corpoday that it would ship its long-awaited new Windows NT personal computer operating system within the next 60

> Microsoft is conservatively estimating It will sell 1m copies of the product in the first year.

It is aware that many of the world's corporate users of midrange and high-end computer systems are likely to be cautious about the first significant new operating system in almost 10 years.

Microsoft has sold 25m copies of its PC-based Windows operating environment ond

March 1923

sales are steady at about 1m

copies per month. NT costs \$295 to customers who already own Windows. The standard price is \$495 and an advanced version for corporate computing will sell at \$1,495 in the first six months.

Mr John Dodge, executive editor of the US trade magazine PC Week, says Microsoft must know that some analysts Wall Street have over-amhitious expectations for the product.

He points out that NT is unlike earlier versions of Windows in that it is designed primarily for use with the more expensive "file server" systems large computers shared by many users.

It is designed for users who need substantial computing power and for "enterprise-

Microsoft NT deliveries near wide" applications developed

hy large corporations.
Windows NT is also distinctive in that it has been developed to run on microchips from the US electromes companies Intel, MIPS and Digital Equipment - all of which is likely to introduce greater competition into the high end of the computer hardware mar-

Microsoft believes NT will appeal to corporate customers, and paraded a number of users from corporate test sites at the press conference announcing the product.

One of these was the UK's National Westminster Bank. which is using an NT-based workflow system to redesign completely how work is assigned throughout its credit card, telesales and loan appli-

US stores group to spend \$4.6bn over 5 years

By Jeremy Bennallack-Hart

MAY Department Stores, the St Louis-based retailer, is to invest \$4.6bn over the next five years in opening 100 department stores and 1,200 Payless ShoeSource stores.

The expansion was announced at the annual meeting, when Mr David Farrell, chairman and chief executive, said the company expected record sales and per-share earnings in 1993. Earlier this month, the retailer reported first-quarter net earnings of 596m, up from \$81m, on net retail sales 5.3 per cent higher

The company planned to open 13 department stores and 225 Payless ShoeSource stores

Pre-flotation boost for Argentine oil group

By John Barham in Buenos Aires

ARGENTINA'S state-owned oil company, YPF, reported a 123 per cent increase in operating profits to \$390m in 1992, despite a 7 per cent decline in sales revenues to \$3.91bn, according to a provisional prospectus leaked to a Buenos Aires newspaper vesterday.

The government, which owns 100 per cent of YPF. plans to sell up to 70 per cent of the company in a local and international share flotation scheduled for July 2.

The flotation is expected to raise \$2.5bn, making it one of the biggest privatisations yet in Latin America and among the largest in the world this

However, the government has restricted data on the company's financial performance pending approval of its applica-tion for listing in the US. Government officials con-

firmed the data, published in a special eight-page supplement in Ambito Financiero, a business daily, was largely correct, hut warned final figures for 1992 were likely to be slightly different due to revisions to fourth-quarter figures. The final version of the prospectus will also contain financial information on the first quar-

The fall in sales and a 9 per cent decline in assets to \$7.42bn reflect the government's policy of selling off noncore YPF businesses in the run. up to privatisation.

FT GUIDE TO WORLD CURRENCIES

The table below gives the latest available rates of exchange frounded against four key currencies on Monday. May 24, 1963 . In some cases the rate is nominal. Market rates are the average of buying and setting rates except where they are shown to be otherwise. In some cases the rate is non-indicated from those of foreign currencies to which they are tied.

99.25 168.41 168.41 168.41 168.41 191.35 191.35 191.35 15310 1.5310 1.5310 1.5310 1.5310 1.5350 \$4,5579
109,713
124,558
1409,16
2 6393
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,7833
1,783 59.544
99.5283
4997
113.058
95.56.09
22.4423
113.058
15.56.09
24.442
113.058
1.5075
148.918
0.9069
1.5007
13.058
1.5183
3.6216
1.5183
3.6216
1.5183
3.6216
1.5534
3.6216
2.5534
3.6216
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1.1456
1 8.4778 1.6368 600.299 0.6514 221.221 62622 2.6529 5.5097 1 5.557 810.169 4986.97 125.674 22.9179 0.9066 18.815 1590.4 1.7784 23.6839 0.5964 1.6846 1.9869 3.2948 4.997 582.848 129.968 2.4423 1.346,82 217,369 244,612 35.5024
57.0236
13.6736
13.6736
13.6736
14.99.39
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68.93
1.68. 130135 25126 57226 100 331573 96125 4,1337 4,1337 8,4575 1,5350 8,506 12,061 12,061 12,061 12,061 12,061 13,073 13,073 13,073 13,073 13,073 13,073 40,4611 1,5850 1,5850 2649,97 1,00 2,6175 26843,0 238.50 1,5350 5,5766 8,4575 988,47 219.95 4,1337 4,1337 4,1337 4,1337 4,2875 4,1337 4,1347 4,900 4,1441 4, 1 367.116 0.396 125.154 3.8254 1.6452 3.3661 0.6109 3.395 494.909 3046.77 76.78 Angota
Antigura
Antigura
Antigura
Antigura
Antigura
Antigura
Antigura
Antigura
Bahanas
Bahanan
Bahanas
Bahanan
Bahanas
Bahanas 10484.8 94.8253 0.6109 2.2195 3.3661 382.652 1.6452 1.3661 1.6452 1.3661 1.64306 3.1076 3.29.951 0.3849 17.6872 66.1524 1.9526 66.1524 1.9526 1.9526 1.9526 1.9526 1.9526 1.9526 1.9526 1.9526 3,6326 5,5097 842,851 143,251 143,252 2,8929 2,54929 3,592 3,7449 2,73,449 3,74 11,9687 6,0641 7,7115 87,8892 7,3122 3,7948 4,7113 53,6955 (Goude) & ampira) & K Sy (Foriat) 38,4825 19,0324 1277,35 996,219 0,2362 0,4093 1,8616 907,284 99.20 47.819 3209.33 2503.0 0.5936 1.0285 4.175 2279.50 64.6254 31.1524 2090.77 1630.62 0.2867 0.57 2.7198 1485.02 13.5275 67.3631 0.4186 38.6989 0.8807 1.3101 491.455 0.1838 87.2185 2.2130 3.2917 1234.78 0.4520 1102.32 2660.06 4.8970 1.5350 0.4515 2.2575 51.63 718,124 1732,94 3,1902 1 0,2941 1,4705 33,8482 438.734 1058.73 1.948 0.6103 8.1797 0.25572 4.8647 1112.07 94.9253 2.6095 1.68.308 0.2237 3.3861 0.2237 3.3861 1.903 1.9 101.35 73.1923 19.903 2.7128 4.8970 11.2050 2.2129 38.455 422.875 2.2129 38.455 422.875 2.2129 1.5055 1.5380 2.2129 1.5518.85 1.5380 2.2129 1.5518.85 1.5380 2.2129 1.5518.85 1. 124.668
47.8051
1.7803
1.7803
1.7906
21.4708
21.4438
25.1471
25.8143
352.075
25.1791
1.6411
1.6411
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.802
1.803
1.802
1.802
1.802
1.803
1.802
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.803
1.8 76.1592 29.207 7.8215 1.0478 1.549 4.4597 0.5965 13.1008 16.7711 215.793 163.308 0.8100 0.8007 734.628 0.45106 0.8007 734.628 0.45106 7.9620 1820.24 155.275 4.2711 2.5607 11.9457 275.485 9.3851 5.5097 113.511 18.8946 3.1148 5.5092 2.6928 2.6928 2.7628 1.8522 1.8416 48.4436 48.4436 1.8525 2.75.488 24.9348 6.9104 12.2227 2794.07 288.50 8.5555 1.9306 18.3337 422.675 0.5515 174.24 25.9336 4.763, 8.4575 8.4575 8.4575 12.4569 4.784,63 25.2578 25.410 5.6794 159.527 2.4423 11.758.65 1738.16 1709.85 3.0192 249.852 11.7516 4.4723 4.9826 4.997 249.852 4.997 249.852 4.997 249.852 249.852 249.852 249.852 249.852 249.852 249.852 249.852 249.852 249.852 249.852 249.852 249.852 249.852 249.852 Egypt

B Selvation
Egyst1 Gaine
Estonia
Estonia
Estinipia
Felfonid is
France is
France
France
Fr. Ctyl/Misca
Fr. Cabine
Fr. Pacific is
Babon 1,949 0,8367 28,3502 1,1194 1,1245 1,1213 3,7202 168,208 15,2338 4,2216

CREDITANSTALT Creditanstalt-Bankverein issue of U.S.\$200,000,000 **Subordinated Collared Floating Rate Notes** Due 2003 Creditanstalt-Bankverein Kidder, Peabody International Lehman Brothers International UBS Phillips & Drew Securities Limited Credit Suisse First Boston Limited Deutscha Bank AG London Goldman Sacha International Limited Merrill Lynch International Limited J.P. Morgan Securities Ltd. Morgan Stanley International Nomura international Salomon Brothers International Limited Sanwa International pic **Swiss Bank Corporation**

to fund a loan to be made by it to Istituto per lo Sviluppo Economico dell'Italia

ECU 100,000,000 Floating Rate Notes Due 1995

Meridionale

U.S. \$150,000,000

First Bank System, Inc.

Floating Rate Subordinated Capital Notes Due 1996

Interest Rate

Interest Period

54% per annum 24th May 1993 24th August 1993

Interest Amount per U.S. \$50,000 Note due 24th August 1993

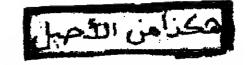
U.S. \$670.83

Credit Suisse First Boston Limited



People who fly JAL Economy tend to earn more.

Call your nearest JAL office to join JAL Mileage Bank Europe. one of the most competitive schemes for Economy Class passengers currently available.



supply.

Bund prices fell in reaction to comments from Mr Lothar Mueller, Bavarian state central bank president and Bundesbank Council member, over the weekend. Mr Mueller said

GOVERNMENT BONDS

that in view of the pace of money supply growth and the public sector debt, the Bundespublic sector debt, the Bundes-hank would have to pause before easing rates further.

The 6% per cent bond due 2003 opened at 99.18 and fell to 98.89 and the Liffe bund futures contract dropped from a high of 93.80 to 93.68 by late

Dealers said the market remains bearish and investors would be waiting to see the latest inflation figures, which are expected this week. Also contributing to the market's poor mood is the prospect of new supply today, with dealers expecting DM4bn to DM6bn of four-year notes to be issued

■ THE SURPRISE announcement of another cut in French interest rates yesterday helped to lift French government bond

on profit-taking.

The Bank of France cut its key rates by a quarter point, which left the intervention rate at 7.5 per cent and the fivs to 10-day rate at 8.5 per cent. "The franc seemed reason-

The franc seemed reasonably steady on the back of it," said Mr Philip Tyson, economist at Yamaïchi International, adding that the market would be looking for further rate cuts over the next few The spread of 10-year French

bonds over comparable bunds has narrowed to 27 basis points from 32 basis points, compared to 62 basis points at the end of March. Among shorter-dated bonds, two-year notes now yield 6.43 per cent, down from 6.44 per cent.

HIGHER-yielding markets continued to henefit from switching out of Germany in the wake of the Danish referen-

in Spain, market participants will be watching for further signs of easing this week. Ths Meffsa futures contract slipped from 88.48 to 88.40 yesterday. in Italy, the short end remained firm while longerdated Issues weakened, with the BTP futures contract falling from 99.72 to 99.53.

■ ACTIVITY in the UK government bond market remained muted ahead of tomorrow's

prices at the short end, while other maturities closed lower

FT FIXED INTEREST INDICES May 24 May 21 May 20 May 10 May 18 ago High " Low " Gov15acs RMO 94.80 94.94 94.98 94.90 94.55 69.54 96.04 93.28
Found Internet: 111.36 111.33 111.25 111.07 110.93 105.43 113.63 106.67
Boals 100: Government Securities 13/10/25; Flund Internet 128.

10: 1903. Government Securities 13/10/25; Flund Internet 128.

10: 1903. Government Securities 13/10/25; Flund Internet 128.

10: 1903. Government bigh since completion: 12.58 (8/3/15), low 60.53 (3/1/75) QILT EDGED ACTIVITY May 21 May 20 May 19 May 16

bonds tumbled yesterday on fears of higher short-term US interest rates and concern about the forthcoming Japanese bond auction,

The September futures contract dropped from its high of 106.60 to a low of 105.98 in Tokyo and continued to fall in London trading to reach 105.88 Dealers said the market was upset by news reports suggest-ing the US Federal Reservs may allow short-term interest

The finance ministry is expected to hold its auction of 10-year government bonds today, and there was considerable speculation in the market ahout whether the auction stock would he a further tranche of the existing No 153 issue or a new bond.

Dealers point out that a further tranche of the No 153 issue would help to establish it as the new 10-year benchmark. The No 153 has a 4.8 per cent coupon, hnt some dealers maintain that the Japanese

■ JAPANESE government market has fallen back so much in recent weeks that should carry a coupon of 4.9 per cent to reflect the shift in

> The yiald on the No 145 opened at 4.64 per cent and closed at 4.665 per cent after touching 4.785 per cent. TALK of a possible tighten-

ing of monetary policy by the Federal Reserve depressed prices at the short end of the US Treasury market yesterday morning but had no impact on the long end, where short-cov-ering by dealers lifted prices. By midday, the benchmark 30-year government bond was up ∄ at 101 ¼, yielding 7.006 per cent. At the short end of the market, the two-year note was down is at 9915, to yield 4.146

After declining on foreign markets overnight, longer-dated securitles recovered when trading opened in New York as some dealers covered their short positions in antici-

		Coupon	Red Date	Price	Change	Yield	Week	Monti ago
AUSTRALIA		9.500	Q8/03	112.5384	-0.843	7.70	7.53	7.49
BELGIUM		9 000	03/03	110.8500	+0.050	7.40	7.42	7.58
CANADA .		7.250	08/03	97.4500	•	7.62	7.72	7.35
DENNARK		6.000	05/03	103,3000	-0.300	7.52	7.51	7.55
FRANCE	ETAN CAT	8.000 6.500	05/98 04/03	105.5559 109.1200	-0.138 -0.195	204 7.10	6.64 7.12	8.87 7.10
GERMANY		6.75	04/03	98.8450	-0.210	a91	a.78	6.50
TALY		11,500	03/03	97.7100	-0.120	12.25†	12.44 -	12.82
JAPAN	No 119 No 145	4.800 5.500	08/99 03/02	100,9019	-0.192 -0.659	4.81 4.72	4.43 4.58	4,11 4,18
NETHERLA	VDS .	7.000	02/03	101,7700	-0.230	6.73	6.62	6.55
PAIN		10.300	06/02	35,9433	-0.100	11,02	11.15	11.54
K GBLTS		7.250 8.000 9.000	03/98 05/03 10/08	100-17 99-16 104-14	+2/32	7.11 8-06 8-48	7.13 8.11 8.51	7.09 7.06 8.35
JS TREASI	RY ·	6.250 7.125	02/03	100-16 101-06	-16/32 -7/32	6-16 7-03	6.02 6.94	5.90 6.81
ECU (Franci	1 Govt)	8.000	04/03	103.5000	+0.050	7.48	7.A7	7,59

pation of a rally and others. took the opportunity to com-plete yield curve-flattening trades. Short-dated securities. however, failed to rebound

from early weakness. The drop in prices overnight followed press reports that at the Fed's Open Market Committee meeting last week policy-makers voted to shift the emphasis of monetary policy toward higher short-term interest rates because of concerns about revived inflation.

■ THE French government is likely today to announce a specīal bond issue to raīse as much as FFr20hn, AP-DJ

NEW INTERNATIONAL BOND ISSUES

99.3R

99-266R

"If it's less than FFr10bn, that wouldn't be good. But if it's FFr20bn or more, that would be considered a major success," said one source close to the government.

"You have to remember that, originally, the government was hoping to get FFr30bn this from privatisation

A report in the French press yesterday claimed that prime minister Edouard Balladur planned to announce the debt issue today. Mr Balladur apparently has been motivated by the worsening economic outlook, which jeopardises the government's revenue predic-

Asian Development Bank prepares \$500m 10-year issue are essentially the same in

7.5

By Tracy Corrigan

THE ASIAN Development Bank is preparing to launch a \$500m 10-year issue following a series of roadshows in European financial markets.

The deal, jointly arranged by JP Morgan and Lehman Brothers, is expected to emerge this week if market conditions prove favourable. Traders are

INTERNATIONAL BONDS

expecting the deal to be priced at a yield spread of 20 to 25 basis points over the compara-

The reception of an offering

yesterday by the Nordic

Investment Bank in the nascent Dragon bond market suggested that there is still strong demand for dollar bonds in south-east Asia, despite the recent weakening of the US Treasury market .

· NIB's \$250m five-year issue, arranged by Goldman Sachs, was priced to yield 20 basis points above the five-year US Treasury. Dealers said the issue was several besis points too tight for European investors, but had sold into southeast Asia.

Growing interest from southeast Asian investors in global bond offerings lies at the root of the development of the locally-traded Dragon bond market, pioneered by the Asian Development Bank. Dragon bonds

And the second second second second

structure as Eurobonds, except that they are listed in Hong-Kong and Singapore and distributed and traded in the region. Because investors in which will be traded locally, thsy are prepared to pay a tighter spread than for Eurobonds.

"Since NIB is active in lending to Asia, issuing in the Asian bond markets is a logical step in expanding our relationships in the region," said Mr Thorsteinn Thorsteinsson, head of borrowing at the supranational bank. Meanwhile, the European

Investment Bank is currently

considering launching a \$300 to

\$500m Dragon bond in the next

SWISS FRANCS Final terms and non-callable unless stated. The yield spread (over relevant government bond) at launch is supplied by the lear manager, #Floating rate note. Rt fixed re-offer price; fees are shown at the re-offer level, a) issue launched on 18/5/93 was increased to \$150m. Coupon pays 6-month Libor - 0.125%; minimum 6%, maximum 10%, b) Callable on 30/6/01 and on 30/6/02. few weeks. However, the

Dragon bond market is one of

several options, an EIB official

US DOLLARS C.Italiano, Hong Konglek

FRENCH FRANCS Inter-American Dev. Bank

GANADIAN DOLLARS Banque Nationale de Paris

Development Bank launched a FF1.2hn seven-year issue via BNP Capital Markets, Its first aid. in the sector for 20-years, The Elsewhere, Inter-American deal was swapped into fixed-

in the Swiss franc market, Eurofima launched a Sfr400m 10-year issue via Swiss Bank Corporation.

Sep.2000 0.3R +22.5(8)/596-00/BNP Capital Markets

Jul. 1999 0.3R +50 (61/4%-98) ScotlaMcLeod

Futures regulator brings charges against CBOT

FEDERAL regulators have charged the Chicago Board of Trade (CBOT) with lax financial monitoring and failure to enforce its own rules in an action that, if successful, could result in more than \$1m in fines for the world's largest futures exchange.

The Commodity Futures Trading Commission (CFTC), the futures industry's chief regulator in the US, made the 10-count administrative complaint against the CBOT in connection with the August of Stotler, and Mr Thomas Kol-1990 collapse of Stotier and Company, a large Chicagobased clearing firm. At the time the firm failed, Mr Karsten Mahlmann, who was a principal in Stotler, was also

the chairman of the CBOT. Mr Mahlmann, who was not named in the complaint, subsequently resigned as exchange chairman. The CFTC and the CBOT transferred 65,000 customer accounts from Stotler to other firms in August 1990 to

protect them from losses. Mr Patrick Arbor, CBOT chairman, said the CFTC's complaint lacked merit. He said the CFTC was unfairly holding the exchange responsible for a member firm that lied to its customers and regulators and altered reporting docu-

ments sent to the exchange. This is the first time the CFTC has charged the CBOT in a complaint, and the action has serious implications. The CFTC has the right, if its charges succeed, to delist the CBOT as an exchange. Few expect that to happen.

pers and Lybrand, the interna-tional accountancy firm, was charged with failing to perform adequate audits of Stotler during the years 1988 and 1989, when the firm was undercapitalised by \$1m and \$7.1m,

respectively.
Coopers and Lybrand has settled its case with the CFTC. without acknowledging guilt, by paying the sum of \$500,000.
Also charged by the CFTC were Mr Thomas Egan, formerly chief executive of Sto-tler, Mr Phillip Zarcone who had been chief financial officer

ter, an attorney and president of Stotler Funds, a money management firm. Mr Egan has settled his charges with the CFTC and has agreed to never engage in

customer related futures trad-Mr Dennis Klejna, head of the CFTC's enforcement divi-sion, said the complaint came

so long after Stotler's collapse because "these are very complicated financial cases with sweeping allegations".
The CFTC in early August, 1990, obtained an injunction

against Stotler to keep it from using customer funds to shore up its capital base. At nearly the same time the CFTC filed an administrative complaint against Stotler and ordered its registration as a futures dealer to be revoked.

Attorneys for Coopers and not be reached for comment yesterday. Mr Kolter, who is representing himself in the case, also could not be reached.

Swiss Bank buys Swedish broker

SWISS Bank Corp (SBC) has agreed to buy 100 per cent of the Swedish broker Arhltech Fondkommission and associated companies Derivatan and Arbitech, Reuter reports from Zurich.

The sellers are investors AB. Stockholm, which owns 41.6 per cent of the brokerage, AB Export-Invest, Stockholm, which has a 8.4 per cent holding, and SBC's O'Connor &

Associates, Chicago, which has 50 per cent. The purchase price was not disclosed. Arbitech has 22 staff and is Sweden's leading market-maker in standardised deriva-

over-the-counter instruments. The hrokerage conducts client husiness which is mainly aimed at institutional inves-

tives as well as cash-based and

MARKET STATISTICS

shed are the latest informational bonds. S. DOLLAR STRAIGHTS 81 914 94 94 95 95 95 96 96 97 94 96 97 96 97 97 97 97 97 97 97 97 97 97 97 97 97	for which	there le	no acted	piole t	econda	ry inarios. GTHER STRANGETS Arbed 712-95 LFF ECSC 74-94 LFF World Bank 8-96 LFF World Bank 8-96 LFF World Bank 8-96 LFF Bank Yoor Neet Geen 77-9-02 FF Energia Pobases 94-68 FF Alberts-Frovinco 107-95 GS Bank 107-98 GS British Columbia 10-96 GS Geen Elec Capital 10-96 GS Control to Hydro 107-96 GS Debatr Kontrollbank 1014-99 GS Control to Hydro 107-96 GS Debatr Kontrollbank 1014-99 GS British Gas 1014-96 AS Esoportificans 1214-96 AS Alboy Neat Treasory Zero 0 20 AS RE 1 Bank 74-GS AS SS Assat Good Fin 0 GZ AS Linkever Australia 12-96 AS Alboy Neat Treas 1314-97 B Enthis Gas 1214-90 S Enthis Capital 1214-97 B Enthis Gas 1214-90 S	Lafoo	t prices at	7:00 pe	n on N	tay :
e man his franciscore	large-1	1064	Page .	Chg.	VI-M	PROMAGES SHOW	teman	nid .	Offer	Chg.	Yle
S. DULLAR STRUMENTS	200	105%	108	3	4.35 4.87	Arbed 712 95 LF1	BDC	9612	9012	3	8.2
bertaProvinca 93, 95	600	110	1103a	-4	4.87	ECSC 74 94 LP7	1000	100	101	. 1	7.7
maria 81 ₂ 00	400	1123	1001	-12	6.17 5.32	World Bank 8 95 Lif	1000	1051	1053	***	6.0
MIK OF TOKYO 8-2 98	250	1102	116%	-2-	5.83	Foornia Robace QL OR R	SOL	.1103-4	1105	+-8	6.4
160 T3. 07	150	1075	1061	3	5.45	AlbertaProvisco 105- 96 CS	500	107%	107%	4	7.5
40 85. Q4	300	105	105-2		4.21	Bell Capada 105n 98 CS	150	1095	11012	٠.	0.0
Histo Gas 6 21	1500	103	10%	_	8.29	British Columbia 10 96 CS	500	10612	107	4	7.5
mada 9 96	1000	1105	1107		4.7B	E6 104 98 CS	130	108%	108%	ي.	7.8
CE 914 98	000	19613	1082e	_	4.78 4.36 9.42 5.25	Elec de France 94 99 CS	27	1074	1034		6.1
A Naviora Perez 8 96	100	1027	1003	*10	5.96	Ford Credit Canada 10 94 CS	100	1002.4	1007		- 44
cencil carops 9 95	300	1165.	117	-1	5.29 4.60 5.36 5.10 5.04 5.81	MAN AND ENGLISHED IN SIGNAL CONTRACTOR	400	1085	1004	٠.	8.4
SON POSICION GAZ SES MANAGEMENTA	1571	108)	10812	-30	4,60	Micron Tel Tel 104 99 CS	. 200	196	1061	3	8.2
20 al. 98	193	100	1091	-la	5.36	Ontario Hydro 107- 99 CS	500	1103	1114	-4	8.4
C 84 98	100	108%	1094	+14	5.10	Onter Kontrollbank 1014 99 CS	150	109%	11012	-4	8.1
734 98	250	107%	108 ¹ 8	-1-3	5.04	Quebec Prov 1012 98 CS	200	1087	10912	-4	8,4
9 9 4 97	1000	114	11412	-38	5.81	Belgium 91 ₈ 96 Ects	1250	1047	1054	-	7.1
c de France 9 98	200	11378	1053	. 2.	5.73 6.14	Credit Lyonnals 8 96 Ecu	125	104	104%	***	7.4
ro Cred Card TST 9 94	100	1103-	1111	3	5.07	респрук 72g 96 6cu	112	1097	100L	+2	71
romana 64 96	150	1151	110	3	5.91	Come del Chat 101- 00 Eco	SY	1003	108		77
Head 72, 97	200	1064	1073	44	5.73 6.14 5.07 5.91 5.77 4.98 6.19 5.14 6.02	Indu 10% on For	100	1135	1137	44	8.1
mich Pervet QL QC	200	1094	1104	-14	4.98	Soolo D 98 Fox	100	1047	105		7.1
od Motor Credit 614 98	1500	1005	1011	-36	5.19	United Kingdom 91s 01 Ecu	275	1085	108%	-4	7.8
on Elec Capital 93, 98	000	11113	11210	֥	5.14	AIOC 16 98 AS	10	11032	1104	-1	7.7
MAC 83, 98	. 200	1074	10812	-4	502	BP America 1214 96 AS	10	1123	1131 _e	-4	7.0
1 Bk Japan Fin 7% 97	200	1074	1073		5.77	Comm Bk Austrella 134 95 AS	100	1285	1287	-2	7.7
or Amer Dev 77s 95	1500	1055	100	-1	4.31	Happortonans 12% 96 A5	./3	1104	1152	3	9.5
5 6 04 June 10 00	350	1124	1134	_1	5.07	MCM Traderor Zano O OO AD	100	032		-12	8.0
TR Fin 6 97	200	1065	1077	44	5.77 5.16 4.31 5.07 5.91 6.90 4.12	R & 1 Rock 73. 03 45	12	975	973	41,	6.1
desembla Elec 74 02	1000	1031	10312	-	6.90	Sth Aust Govt Fin 0 02 AS	150	10012	104	-14	84
w Zayland 9 94	850	105%	1084		4.12 6.14	Unilever Australia 12 96 AS	150	11712	119	-3,	7.5
ppon Cred 6k 103g 00	150	1004	1085		4.49	Abbey Mad Tress 133 85 2	100	11012	111		6.7
ppon Tol Tol 85, 95	2000	1034	1035	واد	7.03	Alliance Loics 11 - 97 E	100	111	11113		햊
Sano 7's Od	200	11212	1127	ير ا	7.03 8.40 5.21	British Level 121- 14 C	30	1161	1171.	ءلم	10
agr Additional State Of	200	10512	10634	-	5.21	British Land 12½ 16 E EB 10 67 £ Hattizx 10½ 97 € Hancon 10⅓ 97 € Hancon 10⅓ 97 € Hancon 10⅓ 97 € Hancon 10⅓ 97 € Roby 10½ 14 € Lund Saca 9½ 07 € Cotendo 11⅓ 01 € Powergen 6¾ 03 € Sevent Trent 11⅓ 68 € Tolejo Bac Prower 11 01 € What D Jank 11⅙ 00 £ Abbay Bertonet 0 96 NZS TOME 10 00 F By 10 € EB 4 02 NZS EB 4 00 F SNCF 5⅓ 07 FF7	63	7 1077	1001	-	7/
sebac Hydro 91 96	150	11412	1154	-	5.21 6.44 6.55 7.61 4.84 5.85 6.57 4.84 5.18 5.20 6.54 6.52 5.80 6.52 5.80	Haller 103- 97 9	10	1084	106 ¹ 0 106 ² 4	ąle.	7.7
whee Prov 9 98	200	111	1113	- *	5.30	Henson 10% 97 S	60	1074	1072z		8.3
instury 91s 96	160	11012	1112	-7	7.61	HSBC Holdings 11.69 02 €	15	1125	113	-	9.1
S 16 98	200	1083	1091	3	4.84	Italy 1012 14 2	40	1074	10779	7	9.0
AB 912 96	150	115%	1167	-	5.84	Control 111 01 F	10	1123	1075 967 1134		- 2.7
G- 9-2 00	1500	101 %	1021	-12	8.15	General 67, 63 g	25	100%	100%	÷10	8.8
an 0.5 pa	200	10618	1094	-12	6.57	Communication of the communica	15	113	1134		A L
ander Sie Off	2000	10112	1914		4.84	Tologo Flec Power 11 01 E	15	1134	114 ¹ a 109 ¹ a 70 ¹ 2	-4	8.5
erish Poort 83 98	700	1083	108%	-74	5.10	World Bank 114 00 E	10	0 1085	1001 ₈	+ 4	6
Hero Elec Power 84 00	300	1102	1002	32	5 20	Abbey Metocol 0 95 NZS	10	7712	7012		7.2
Kyo Metropolis 5% 98	1600	001	995	-5	5.80	TCHZ Fig 84 02 NZS	200	1051	1111 ₂	٠.	8.7
nota Motor 55g 98	3000	1047-	10514	-5	6.54	CEPME 10 00 PPT	300	0 10772	106 ¹ 2 100	-;	8.0
ated Kingdom 74 UZ	1500	1124	11318	-3	6.02	CHECK CO. PTORICO CAS CZ ITT INC.	400	0 107%	100		6.5
(2) Sank 5 2 40	1500	112	112-6		5.27	SMLF and OV III AMARINE					
one come Ale 98	100	107%	108	-4	5.05						
						DI SETTING TRAVE BOUPE	lamed			Če:	6.25
EUTSCHE MARK STRAGHTS	500	97	9712	-30	6.79 7.09 7.13 6.57 6.74 6.70 8.70 7.20 7.22 7.14 6.51	Allages Leica 0.08 94 2	300	99.1	6 96	.98	6.20
mittle 5-1 07	500	104 ² e 100 ³ e 101 ³ e	10412	410	7.09	Banco Plome 0 99	300	99.	7 .99	LET	12
Agint 74 UZ	2000	100%	100%	-70	7.13	Seightin 14 87 DM	000	100.0	K) 100	1.16 1.88 1.56	2.23
Hoche Engage 712 98	1000	1013	1013		6.74	BFCE -0.02 00	320	90.	00	58	6.23
SC 87- 96	700	1004	106 ¹ e	3	6.70	Breaton U.16 UU 1	200	98.	13 90	29	9.54
C 012 00	2900	987a 103 ¹ 2	104	-12	8.01	Citrone Sed 6 15 00	106	98.		133	5.00
B 712 00	400 3000	10122	1014		7.20	Credit Poncier - 2 90	200	100.4 99.3 99.1 101.2	2 100	L85	5.00
nland 71 ₂ 06	500	10312	104	-10	7.22	Decarreck -14 00	1000	99.	3 96	196	3.00
2000 /4 UZ	5000	103 ³ 2 100 ³ 2	$100^{1}2$	-4	6.14	Greatner Roance & 00 DM	1000	101	1/15	98	7.84 5.25
certiscree MARK STRANGETS inter 57 07 july 102 july 74 02 july 74 02 july 74 02 july 74 02 july 74 03 july 74 04 july 74 04 july 74 05 july 74 07 july 74	1500 4000 2500 1000	10234	103 ¹ e	_1_	7.14 6.51 7.19 6.94 7.19 6.51 6.57 6.88 5.94 2.72	FLAKING RATE MOTES Astance Laice 0.08 94 2 Banco Rome 0 99 Sedom 1, ar 7 0M SFCE - 0.02 00 Settom 6, 0.16 00 2 CODE 6 05 Ecu CREsses Fee 6, 15 00 Credit Foncier - 2 99 Decreate's - 4, 00 Orestoner Flatance 5, 00 0M Decreate's - 89 Feer of all Stat 1; e 97 Feetand 0	420	99.1	54 102 7 90	25	3.22
ein 74 03	4000	1003a	10012	3	6.04	Forest 0 97	1000	99.	31 95	40	3.43
eden 6 97	2500	1037 1027 1017 1017	104 ³ s	ود_	7.19	Holler 99 & 95 C	360 000 500	99.1	7 99	.05	6.13
loyo Elec Power 7% 02	5500	1012	101%	- 4	6.61	Instance 6 96	000	96.	77 99	170	3.67
stied Kingdom 71g 97	400	101%	101 % 102-5	_35 ₈	6.57	Rady 6 06	500	100.			3.62
Managen Cott par At	2000	2234	22-4	-4	6.68	Leds Permanent 1 96 \$ Loyds Bank Perp S 0.10	500	99.7		190	3.37
Dru Bark U 15	300	99%	100	3	5.94 2.72	Lloyds Bank Perp S 0.10	850	941	100	113	5.25
orld Bank 84, 90	1250	110%	111%	-2	arz	Marianetta O 02 06 F	000	90	25 00	40	6.11
						Nesignatide 0.08 96 2	250	100.	100	112	3.87
MISS FRANC STRAIGHTS	100	1051-	1062-	هد.	5.53	Regie 0 00	500 300	961	20 00	35	3.12
	250	105 ² 100 ³ 2	106 ¹ 2 100 ¹ 4		4.63 5.54 5.82	Societa Generale 6 95	300	99. 99.	51 90	1.45 1.96	3.25 3.59
MOCI EUROPE 474 98	300	110	11012	궃	2.54	State Bk NSW / UU	250 125	901	TT 00	22	3.72
8 8 4 04	100	112 <u>1</u> 2	113		5.26	United Kingdom —18 00	4000		1 00	87	3.00
oc us marks 174 ou seemen	300	11022	111 104	-	5.74	AMERICAN	-	-		-	
niand 714, 99	100	103 100	107		8.83						
sherd Mouter Fin 6 2 97 sends Hoter Fin 6 2 98 sends Hoter Fin 6 2 9	100	111	11115	ي.	8.83 6.71			Com			
slend 75, 00	100 240	1001-	1111 ¹ 2 100	4	0.08	COLUMN C CANDO	and the same		214	3Clar	Per
De 63 01	200	100 ¹ 2 100	10012	+4	4.87 5.35	CONVENTION E BORDS Anouning-Ferris 6 4, 00 Caucho Capital 6 00 Eastman Kodek 63a 01 Gold Kalgoorfe 7 12 00 Gold Kalgoorfe 7 12 00	400	521 ₂	2M (77	85.7
w Zealand 47 95	400	108 ² k	107		5.35 5.50	Christ Capital & CO	260	96 1	183. 11	73	157
1200 04 U3	100	00	95 ¹ 2 113 ¹ 2		5.40	Eastman Kodek 63 01	300	50.67 1	974 10	162	+3.5
Depac House 3 or	450	1134	1004		4.93	Gold Kalgoorlie 712 00	00	50.67 1 1.0554 1 2.5675 1	071 10 135 1 124 1	41 ₂ ;	350
butt Bank 6 02	150 600	100 ¹ 2	11112		5.24	Hanson 912 00 E	ADD	19.1 1	5	***	لنجع
orld Barak 7 01	900					Here St. of C	Ď4	6.72	951 "	πi.	116
						Henson 9/2 00 £	00 500 400 04 95	6.72 6.04	257 17 957 18 864 19 914 19	181 ₂ +	
STRAIGHTS	75000	2914	9912		5.13 3.86	Mined Bank 25s 00	300	2332.6	915	n::	22.4
Eglum 5 99	46600	100	105 ³ 4 100 ¹ 4	4	5.24	Mount ise Fin 612 97	100	2,283 1	10% 10	115 +	63 2
	100000	1074 1004	1044	ءُد.	5.24 4.41	Ogden 9 02	85 90 300	39.077	9214 1 325	N +	<u>44.1</u>
8 5 ⁵ s 00	20000 50000	105%	1081.	_1,	4.49 6.32	Ogden 9 Carlot Supits Nacional Supits Nacional Surviva Supitaria Surviva Supitaria Surviva Sur	200	1.775 1 3808.8	177	134 6	32.2
dent 54 00	30000	111	1114	-5	6.32	Surptomo Benk 34, U4	155	3.9 1	022	ra t	21.0
ntand 5 4 00	100000	111 100 ¹ 2	10076	-14	4.90		155 200 300	2.51 1	177 1 024 1 154 1	134 134 131 131 131	367
	120000	108³a	108 a 105 4	******	4.90 5.23 4.23	Teves instruments 2% 02	300	224	100 H	nia i	23.9
	120000 50000	105	1054	-	3.91	Texas instruments 2% 02	100	7.16 . 1	26% 13	714 104	10.4
		1024	102%	-2	5.29					-	
igner Dev Bk 612 01	50000	102	1,50								
pen Dev Bk 6 ¹ 2 01 pen Dev Bk 6 ¹ 2 01 ppen Tel Tet 5 ⁷ 8 96	30600	106 ³ a	108 ¹ 2		418	* No information evaluate - previous	Day's D				
pen Dev Bk 6 ¹ 2 01 pen Dev Bk 6 ¹ 2 01 ppen Tel Tet 5 ² 8 98	30600	106 ³ a	108 ¹ 2 103 ⁵ 1 198 ² 4		418	* No information evaluate - previous ‡ Only one market maker supplied e	bucs pake b				
spen Dev (B), 5 Se spen Dev (B), 6 2 O1 spen Tel Tet 5 2 86	30600	106 ³ a	102 ³ s 106 ¹ 2 103 ⁵ s 196 ⁷ s		418	 No information evaluate: previous City one market makes supplied a mount issued in millions of currency a Coupon shown to minimum. Spread- cy. price-Nominal amount of bond per incoming briters via the it 	buce bace	. dame.			

RISES AND FALLS YESTERDAY	LIFFE EQUITY OPTIONS
Place Proced Place Proced Pro	Call S
F.F 37 31½ Pillengen Westerles 33½ 1½ 1½ 15 55 1.6 3.8 149 149 149 149 149 149 149 149 149 149	C 1250 62 80 106 42 73 85½ RTZ 600 08 75 89 11 23 28 Williams 750 48 82 106 16 37 59 C 1260 1300 35 55 80 71½ 103 112 7642 650 20 48 80 31 48 51 (7786) 800 18½ 56 72½ 41½ 52 64½ C 1300 35 58 66 7 15 80 80 80 80 80 80 80 8
FIXED INTERIEST STOCKS The Apont Library 1985 Sect. Closing 100 The Pall Research 100	Land Sacont 500 27 41 50 12 19 24 751 Marke 6 5 330 172 27 33 162 192 30 30 27 27 33 162 192 30 30 27 27 33 162 192 30 30 27 27 33 162 192 30 30 27 27 33 162 192 30 30 27 27 33 162 192 27 33 162 17 28 28 28 28 28 28 28 2
nonth call rate indications are with in Saturday editions. In: Arcon Intil., Cannon St.,	PT-ACTUARIES FIXED INTEREST INDICES AVERASE GROSS REPEAP**********************************
FT-SE 100, FT-SE Mid 250 and FT-SE Actuaries 350 indices and the FT-SE paries industry Baskets are calculated by The International Stock Exchange the United Kingdom and Republic of Ireland Limited. C The International Stock Exchange of the United Kingdom and Republic of Ireland Limited 1933. All the reserved. The FT-Actuaries All-Share Index is calculated by The Financial Times Limited 1933. All rights reserved. The FT-SE 100, FT-SE Mid 250 and FT-SE Actuaries and the Faculty of Actuaries. The FT-SE caries industry Baskets and the FT-SE Actuaries All-Share Index are members to FT-SE Actuaries All-Share Index are members to FT-SE Actuaries and FT-SE actuaries are industry Baskets and the FT-SE actuaries all-Share Index are members to FT-SE Actuaries Exchange in conjunction with the Institute of Actuaries and Faculty of Actuaries.	Liby Change May Interest 1993 10 100 1
Faculty of Actuaries. FT-SE" and "Footsie" are joint trade marks and service marks of the London	

Hi-Tec retraces growth steps

By Angus Foster

HI-TEC Sports, the sports and leisure wear company, yesterday announced that mounting losses and recession had forced it to close its recently expanded continental European sales network.

The closure of the network, mainly built up with the proceeds of a £10.3m rights issue last year, led to exceptional costs of £4.82m leaving pre-tax losses for the year to January 31 at £8.3m, compared with profits of £9.06m.

Mr Frank van Wezel, chairman, said Hi-Tec would revert to using distributors. "It means in Europe we will have less clout, which hurts me."

He claimed the closure lay behind the sudden resignation in March of two recently appointed non-executive direc-tors, Sir Michael Edwardes, former chairman of British Leyland, and Mr Richard Fenhalls, former chief executive of Henry Ansbacher.

Mr van Wezel said the two pair, who joined in January.

wanted to close the loss making network immediately while he wanted more time. "We had different expectations from each other," he said, adding that he was now convinced immediate closure was the right course.

Losses in the UK and Europe were also hlamed for the turn down into losses. Turnover fell from £127.8m to £106.9m. At the interim stage, pre-tax losses of £2.84m compared to a £3.74m profit. In the year the UK was worst

hit, recording operating losses of £1.58m (profit £6.88m) due to depressed consumer spending, price cutting by competitors like Nike and Reehok and redundancy costs. However North America per-

formed well increasing operating profits by 24 per cent to £2.4m, helped by sales of rugged outdoor products. Losses per share were 18.8p (earnings 16.1p). The proposed final dividend is cut to 1p to

give a total for the year of 2p (5.5p). Hi-Tec also announced the



Frank van Wezel: burt by having less clout in Europe

directors of Mr John Sharkey, chairman of BDDP (UK), and Mr Roger Rowland, until recently chairman of Lambert

Mr Forte, who added the title

of chairman to his previous

role of chief executive last

October, received £251,934 last

year, compared with £249,721

the previous year. Mr Forte waived an additional \$56,000

Hi-Tec has taken care to bring forward all the bad news, and will no doubt wish to forget last year. But shareholders are unlikely to be so accommodating, especially since proceeds from the rights issue have now been lost in Europe, and the shares have since collapsed from nearly 200p to 40p yesterday. At least this year the UK should return to profit, helped by improving margins, and the US looks firm. Pre-tax profits should recover to £4m or £5m. But the reasons for avoiding the shares remain compelling, and include a dominant chairman with more than 50 per cent of the shares, barely transparent accounts and lingering questions about the sud-den departure of non-executives and other senior officers Finally, switching back to distributors in Europe could further dent Hi-Tec's brand name and puts its European strategy on hold pending another review once the three year distribution contracts

unfair to raise the issue. He deserves every penny." He said of Sir Paul: "If we manage to achieve in this company what Glaxo has achieved, I don't think you would hegrudge me

> Mr Forte said the payment was a reward for Mr Hawkes keeping the business going. maintaining morale and retain ing customers during the protracted negotiations leading

Forte pay committee under spotlight last year and £42,000 the year non-executive directors. He One shareholder was said of Sir Anthony: "It's very

that salary.'

ndustries Correspondent

FORTE shareholders yesterday asked whether Sir Anthony Tennant was an appropriate person to chair the group's remuneration committee after the controversy surrounding his own pay increase.

Sir Anthony, the retiring chairman of Guinness. received a 24 per cent salary rise in his last year, excluding honuses, taking his pay to

applauded at Forte's annual general meeting when he noted the presence of Sir Anthony and Sir Paul Girolami, Glaxo chairman, on the Forte remuneration committee and asked: "Would these people bave a realistic idea of what is a fair reward for directors?" The two were appointed to

the Forte board last year. Sir Paul received £1.19m from

Mr Rocco Forte, Forte chair-man, strongly defended both

Mr Forte also defended a £175,000 incentive payment to Mr Garry Hawkes, managing director of the Gardner Mer chant contract catering subsidiary which was sold last December.

National advertising boosts Radio Clyde

By Cathorine Milton

RADIO Clyde Holdings, the USM-quoted broadcaster, lifted half-year pre-tax profits from 2543,000 to £1.53m as national advertising revenue grew rapidly. The risc was helped by the adoption of FRS 3 and the restatement of last year's fig-

Exceptional gains totalled £273.000 including the release of a prior year's provision. against charges of £270,000. The company said exceptional reach £615,000.

Turnover improved to £7.06m (£6.62m) in the six months to March 31 with advertising and sponsorship at 90 per cent of sales. Local revenue, which made up two-thirds of the income, rose 4 per cent while national revenue increased by 20 per cent.

Mr John Bowman, finance director, said: "Local revenue at a record level for us. National revenue is recovering from the sharp drops we have

seen recently." The company noted that advertising revenues could be volatile, but said

Operating profits rose to £1.15m (£970,000). Net interest received fell to £98,000 (£143,000) reflecting the drop in interest rates. The company had £3.06m (£2.72m) cash, having generated £569,000 from operating activities.

trading since the half-way

stage showed "satisfactory

Radio Clyde has committed £160,000 for its 40 per cent went on the air in April, in an area "largely unserved by independent radio". The company has also

decided to take a leading stake in a consortium application for the North-West regional licence. If successful the company will put in £640,000 towards starting up the sta-

The board declared an interim dividend of 3.5p (3.25p). from earnings per share of 12p

Specialeyes £2.3m in red and raising £1.4m

USM-quoted optical retailer which saw substantial board changes last year, yesterday finally produced its results for the 78 week period to November 28 1992. Pre-tax losses totalled £2.27m.

At the same time it announced it was raising \$1.41m net through the issue of £1.55m nominal of 10 per cent convertible unsecured loan stock 2000 at par. The sum raised will he used to eliminate bank borrowings and supply Mr Jim Power, chairman,

said that the pre-placing of the rescue package was essential before Morison Stoneham, the auditor, would sign off the accounts on a going concern basis. He said he regretted the 'very late" publication of the figures.

However he added that in many respects the hardest work was yet to come, pointing to the "weak financial controls and trading disciplines" that were a main factor behind Spe-

Having identified the flaws, they now had to be addressed, he said, adding, "retail is all about detail." The capital expenditure programme would initially be aimed at refurbishment of the stores and the introduction of electronic point of sale equipment, with its

attendant benefits. The pre-tax losses were after exceptional charges of £904,000 to cover the costs of closing six hranches. and reducing Specialeyes' cen-Mr Power said that \$1m had been stripped out of the payroll, in large part through the departure of 15 middle managers, and four directors at Christmas.

Turnover in the 78 weeks was £25.9m and interest payahle £232,000. Losses per share emerged at 14.16p. in the 53 weeks to June 1 1991, pre-tax profits had been £240 000, turnover £14.8m, interest payable £102,000, and earnings per

NEWS DIGEST find \$18.5m in financing to

equip the joint venture, and

will procure funds in excess of

\$50m to meet the project's for-

Richmond has been strug-

gling to find financing for the

joint venture since the com-

pany hit problems selling its coal bed methane interests.

Last year's accounts were qual-

ified, with accountants Touche

Ross saying that Richmond's

ability to continue trading

The China investment Trust,

which came to market earlier

this year, bas finalised the

terms of its offers for CST

Accepting holders of 1,000

CST ordinary ebares will receive 634 CIT shares and 126

CIT warrants. Holders of 1,000

ordinary who elected to receive

the cash alternative will

receive £634.98 - or 63.498p for

An accepting holder of 1,000

CST warrants will receive 134

CIT ordinary shares and 26

warrants. Holders of 1,000 war-

rants who elected for the cash

alternative will receive £134.98

- or 13.498p for each CST war-

Bowthorpe expands

with £1.5m purchase

Bowthorpe Group has, through

its Protimeter subsidiary,

tation as a going concern from

Sycamore Holdings. The pur-

acquired Ashworth Instrumen

would depend on disposals.

CIT finalises

terms for CST

Emerging Asia Trust.

each CST share held.

rant held.

eign capital requirements.

35% rise at Ocean **Wilsons**

OCEAN Wilsons Holdings, the tug operator and investment company, reported pre-tax profits 35 per cent ahead at 66 94m for 1992

During the year the company moved to Bermuda, keeping its London listing, and the 1992 figures were prepared on a merger accounting basis. Comparative figures were for Ocean Wilsons (Holdings) and lts subsidiaries.

Turnover was £109m (£77.4m) and attributable profits were £3.71m (£2.97m). The new company takes realised surpluses through the p&l account and tbe attributable figures included gains of £531,000 (£711.000).

Earnings came out at 9.34p (6.39p). A final gross dividend of 3p is recommended for a total payment of 4p (3.56p). Net assets expanded over the

year, from 71.44p to 83.63p, of which 55.91p (42.23p) related to the Brazilian interests, including the tug fleet.

South Staffs Water up 18% to £10.3m

Profits of South Staffordshire Water Holdings rose from £8.74m to £10.3m pre-tax for the

Increased capital. SUSM stock. # Gross.

year to end-March. The 18 per cent improvement was scored on the back of a 7 per cent increase in turnover to £51.7m. After-tax profits worked through at £8.89m (£8.07m) of which 70 per cent will be rein-vested to finance capital expenditure.

Earnings emerged at 159p (148p). A final dividend of 32p makes a 47p (40.2p) total.

Possible expansion for Blackland Oil

Blackland Oil, the USM-quoted gas and oil exploration and production group, yesterday announced that it was in discussions which may lead to a substantial acquisition.
Full details would be announced as soon as practicable, the directors said.

Partner found for Richmond venture

Richmond Oil & Gas, the struggling natural resources company which lost its main asset to creditors last year, has found an investment partner

for its Siberian joint venture. Northstar Energy, a Canadian company, has agreed to pay \$1.15m (£740,000) for 85 per cent of Richmond Russia, the sole asset of which is a 39 per cent interest in Taloil, a joint venture with Krasnoleninsk Oil and Gas.

Northstar has also agreed to

DIVIDENDS ANNOUNCED

		_	_		
	Current payment	Date of payment	Corres - ponding dividend	Total for year	Total last year
Cariton Commsint	7.4		S.7		17
Hi-Tec Sportsfin	1†		3.85	2	5.5
Jarvis Porterfin	3.2	July 30	3	4.7	4.4
Ocean Wilsonsfin	3☆	June 25	2.66	4	3.66
Radio Clyde §Int	3.5	July 9	3.25	-	8.5
Sth Staffs Waterfin	32	July 1	26.7	47	40.2
Districted above pages (ner share i	net except	where other	rwise sta	ited. †Q

£366,100 pay-off By Paul Taylor

CSI chief

received

MR ROBIN BINKS, chief executive of Cannon Street Investments for only 15 months was paid a total of £548,000 last year, according to the latest accounts.

Mr Binks had joined the board from SG Warhurg in November, 1990, and was made chief executive in December 1991. He was replaced last March hy Mr David Smith, the management consultant who masterminded the Isosceles bid for Gateway,

the supermarket chain. Although Mr Binks' departure was said to have been hy mntual consent, the annual accounts published yesterday show that Mr Binks received £366,100, including £345,100 ln cash, as a "termination settlement" in addition to his pay, for a total of £548.000.

During his tenure, Mr Binks reversed the strategy of his acquisition-minded predecessor, Mr Bill Hislop, and made a series of disposals to reduce borrowings.

Last year the group realised more than £60m from asset sales, including £42m from the flotation of Avonside, the bouse-building group. In the process 14 operating units. spanning more than 50 compa-

nies, were cut to three. However Mr Tom Long. chairman since May last year, decided that a change in chief executive was appropriate because the group had moved into the next phase of recovery and needed a chief executive with "operational skills".

Earlier this month Cannon Street reported a jump in pretax losses from £34.3m to £115.5m for the year to Jannary 2, reflecting trading losses coupled with substantial goodwill write-offs and losses on sales and closures.

Tesco gets go-ahead for French buy

By Nell Buckley

Tesco, the UK grocery chain, will today proceed with the purchase of the 94-store Catteau chain in northern France, five months after It first

announced the acquisition. Tesco said the deal had been cleared by the regulatory services company. acquire 93,713 ordinary shares at FFr7,050 (£835) a share, representing 51 per cent of Cat-tean's share capital, from the principal directors of Catteau, and certain other sharehold-

The UK retailer also submitted for approval hy the French stock exchange a public offer for all outstanding preference shares, convertible bonds and warrants of Catteau.

It said it had received irrevocable undertakings to accept the offer from shareholders owning 163,288 preference shares, representing 20 per cent of the share capital.

each preference share, FFr705 per convertible bond, and FFr27.5 per warrant. The deal values Cattean at FFr1.46bn. Tesco confirmed its initial investment would not exceed 85 per cent of the company, or

£148m, and it would finance

the acquisition and offer from internal sources. Tesco first announced the conditional acquisition of the family-owed chain last December, but had to wait until French treasury and EC approval had been received, and Cattean's accounts had

been finalised.

The offer was FFr705 for The board of Harrison Indus-

tries said it had noted the recent rise in its share price and stated that preliminary talks were being held with a potential purchaser which could lead to an offer being made for the company.

Downiebrae Holdings, the Glasgow engineering group which announced on May 21 that it was in talks that could lead to a substantial acquisition, yesterday requeeted that lts shares he temporarily suspended pending an announcement. At midday the time of the suspension -

bid for Plateau

bid for Plateau Mining.

chase price is £1.5m cash. Ashworth is a manufacturer tream, it said. and supplier of on-site moisture measurement equipment which, Bowthorpe says, will complement the Protimeter range of electronic moisture measurement instruments.

Possible bid for Harrison Industries

The board said it had been informed that any offer from this party would only be at a substantial discount to the market price. The shares closed 1.5p down at 6p.

Downiebrae requests halt to dealing

the shares were quoted at 77p.

Kingstream lanses Kingstream Resources, the

small Australian exploration company, has lapsed its hostile Kingstream said this was

because Plateau shareholders had passed a resolution approving the reversal into the UK company hy Dixon Motor Holdings, a motor dealership in the north of England. The ownership of such a business was not compatible with the commercial objectives of Kings-

On May 20, Kingstream had received acceptances in respect of 9.55 per cent of Plateau's share capital. No more acceptances had been received.

Following the loss in this system and NHL was consider-Securiguard attacks 'unwelcome' £59m bid

By Angus Foster

Securiguard

SECURIGUARD, the security and cleaning services company, has again dismissed the hostile £59.2m bid made last week by Rentokil Group, the environmental and property

"unimpressed" hy Rentokil's offer document, delivered to shareholders yesterday. Mr Alan Baldwin, chairman of Securiguard, said the offer was "unwelcome and inadequate". He said the cash offer

price of 270p a share was not "anywhere near" an acceptable The 270p a share offer repre-

sented a 46 per cent premium to Securiguard's closing price

launched, there has been no contact hetween the two sides. The understated tone of

on Monday of 185p. Following

Securiguard's rejection last

week, its shares closed 19p

above the offer price at 289p.

and closed yesterday up 4p at

in a letter to Securiguard

shareholders, Mr David New-

bigging, chairman of Rentokil,

Except for a phone call on the morning the bid was

meet with Mr Baldwin.

Rentokil's offer document, and both sides' refusal so far to criticise their opponents, has prompted some observers to comment that the bid has the flavour of a recommended rather than a hostile offer.

BP in talks over £250m consumer products sale

By Deborah Hargreaves

BRITISH Petroleum is negotiating the sale of the consumer products division of its Nutrition husiness for £250m to an investment group headed hy Sir Allen Sheppard, chairman of Grand Metropolitan, the food and drinks conglomer-

Legal and General, the insurance group, is heading the consortium of 10 investors which The sale involves BP Nutri-

include Lehman Brothers, the US investment bankers. tion's three main consumer

products interests in the UK. Italy and Belgium BP put its nutrition division up for sale just over a year ago in order to concentrate on its

core oil and gas business. It sold the consumer foods division to Sara Lee, the US foods and consumer products group, in December.

The sale of consumer products leaves BP's US animal feeds husiness: Purina still to

BP has appointed financial advisors to assist with the sale. It also has a smaller European animal feeds business.

BTR aims to seek further opportunities in China

Richard Gourlay

MR ALAN JACKSON, chief executive of BTR, said the joint ventures signed at the week-end with two Chinese provinces were the first of a number of commercial opportunities the industrial holding company hoped to enjoy in

He added, however: "We will be making sure that this one works first.

Mr Jackson was speaking from Australia after signing agreements to invest A\$270m (£121m) over three years in two glass bottle plant joint ven-tures with China's Guangzhou and Shanghai Municipal gov-

"Guangzhou province has a population is 68m people and only one glass manufacturing plant," Mr Jackson said. "This is a wonderful opportunity to go into China."

BTR's 61 per cent-owned Australian subsidiary, BTR Nylex, will take a 70 per cent stake in the glass bottling ventures. The balance will be held hy the respective municipal governments' Ministry of Light Industry.

The Chinese partners will be transferring existing assets and business of the bottling plants into the new joint venture. BTR will be importing equipment - duty free - and knowhow over the three year period and will not be subscribing any cash to the joint venture. Its investment will he A\$95m in Shanghai and

AS175m in Guangzhou. Mr Jackson said BTR had had an option on the deal since last November and that he had

travelled to China five times since the start of May to conclude the deal. The Guangzhou plant has been established for 35 years. BTR will, however, immentately add four new glass main. facturing lines to the seven that exist. Combined with the redesign of bottle moulds that tha production procass, the investment will more than donble the plant's capacity. Jackson said.

At the moment the plants managers heve to ration the supply of bottles to its custom ers. Growth of beer consu ers. Growth of beer consump-tion was very high and China had become the third largest consumer of beer in the world Glass and plastics packaging has been one of the engines for growth at BTR Nylex through its ACI packaging subsidiary

which will be supplying a manager for the Chinese ventura The joint venture agree ments state there will be no restriction of transmission of dividends. BTR will have a majority of members on the ioint venture boards

Sharply reduced provisions help NHL cut deficit to £24m

By Richard Gourlay

NATIONAL Home Loans, one of the UK's largest mortgage lenders, reduced its interim losses after a sharp fall in the

level of provisions. Improvements in the arrears position and lower costs also contributed to a reduced \$23.9m (\$85.9m) pre-tax loss in the six months to end-March. Interest receivable fell from £110.9m to £50.6m.

halved from \$72.4m to \$56.8m because house prices stabilised and the number of accounts in arrears feil. Some 4,500 of NHL's 52,000

Provisions were more than

accounts are now in arrears compared with about 6,000 a year ago, according to Mr Jonathan Perry, chairman. put more volume through this

period, NHL has negative hareholders funds of £14.5m. The group will not be paying a dividend on its 7.5 per cent convertible preference shares. A total of £12.9m of preference dividend is now in arrears. Following a year of debt

restructuring, NHL had now stabilised its finances and was looking at how to rebuild its business. Mr Perry said. NHL's house lending husiness was decimated in the fallout from the late 1980s housing boom. Rapid growth meant its

portfolio was not strong enough to survive the subse quent collapse Mr Perry said NHL had facilities which made it one of the country's hest collectors of arrears. The intention was to

ing purchasing a portfolio of home loans from companies withdrawing from the market or managing the portfolios of

Mr Perry repeated his view that NHL "had the prospect of reporting a significantly reduced loss for the current financial year and of returning. to profitability in the future.". The National Mortgage

Bank, the banking subsidiary, continued to be run down. Mr Perry said that £1.7bn of assets under management were off balance sheet in special purpose securitised companies which were expected to be a significant contributor to the future performance of the group. The group managed £2,4bn of mortgage assets at the end of March, down 3 percent over the last 12 months.

Highland

snood (n

Sindall Silver

defeat startie

S. V.;

Harry ...

Sections

ć....

Set.

.

44

٠, ...

پ

lia.

Ğır...

Unigate buys back dairy and depots

Unigate is to huy Dairy Crest's Marshfield dairy located at

depots for £11.45m. The dairy and three depots in south Wales - the other is at Marlborough - were part of Unigate until 1989 when they

• MD Foods, based in Accrington, said yesterday that It had acquired Dairy Crest's milk business at Bamber Bridge, near Preston. No details of the consideration were given. As part of the integration of the husinesses the Accrington dairy, which employs 350 people. will be closed. MD said the deal enlarged and consolidated its operations in the north-west and produced a

N American Gas Trust assets rise

American Gas Investment Trust reported a net asset value of 101.68p per share at April 30, compared with a figure of 58.32p a year

By Tim Coone in Dublin and

THE IRISH government yesterday confirmed that it is seeking a strategic alliance for Telecom Eireann, its national

However it emphatically ruled out privatisation, following reports that Cable and Wireless, the telecommunications group, is negotiating for a 25 per cent stake. C&W said that discussions were prog-

ture". Privatisation is a political minefield in Ireland. The sensitivity of the issue was underlined yesterday by Mr Dick Spring, the deputy prime minister and leader of the

This was a thinly-veiled warning to his Fianna Fail coalition partners that the Labour party might be prepared to leave the government on the issue. Mr David Begg, the general secretary of

efforts to privatise the company. Mr Brian Cowen, minister for transport, energy and communications, said: "Privatisation is not on the agenda."

However be added that he had instructed TE to look for "strategic alli-

its position in a sector which is moving at an alarming and accelerating rate.

With a debt/equity ratio of about 250 per cent, and a telephone line penetration rate of only 31 per 100 people, TE is anxious for overseas investment and expertise. Privatisation of state-owned telecommu-

some cases with a view to possible privati-

spelled out how the company might raise capital for such a move without giving a future partner a stake. With its UK Mercury network, which

now extends to Belfast, C&W has ohvious attractions to TE as a partner or equity

stronger base for further devel-

earlier. Net revenue for the nine mouths to the end of April advanced slightly from £457,000 to £461,000. Earnings per share

Dublin confirms Telecom alliances

Andrew Adonis In London

telecommunications utility.

ressing "at a senior level, with a view to a possible strategic alliance or joint ven-

Irish Labour party, who said that the sale of any of TE "would represent a breach of the programme of government".

the Communications Workers' Union also warned that his members would fight any

ances or joint ventures . . . to maintain

"The idea of the company standing alone in an international arena is something that I think would be questionable in the long term."

nications ntillties is now commonplace outside Europe. Within the EC only the UK has yet privatised, but Greece is negotiating with overseas companies for the sale of a significant equity stake and most operators have been constituted as companies separate from the government, in

Both Mr Spring and Mr Begg have made it clear they were not opposed to TE entering into new joint ventures, hut neither

Cardiff and four associated

part of a package together with other dairy businesses in the Midlands and eastern coun-

opment.

came out at 1.31p, compared -with I.3p at the same stage of the 1991-2 year.

For C&W it would be in line with the company's policy of expanding from existing business centres. Apart from Mercury, its European business includes a 40 per cent stake in Tele2 of Sweden, the second national carrier, and leased line businesses in France, Italy and Germany.

resigned in September 1991 after it was revealed he had an interest in a company which was involved in selling a site on to TE for building its new headquarters. His successor, Mr Brendan Hynes, was sacked after only six months, after a revolt. hy fellow directors upset hy his hands-on" management approach in dealing with overstaffing and lack of competitiveness. An acting chairman, Mr John Scanlan, was replaced last December by

TE has had a turbulent decade since its

establishment in 1984, with four chairmen

in the past two years. Mr Michael Smurfit

Mr Ron Bolger, a partner in a prominent Dublin accountancy firm. The government's inept handling of recent privatisations, in particular that of Greencore the sugar, malting and milling group, has made it even more difficult for the issue of future privatisations to be the subject of rational public debate.

Boosted by reports of the Irish deal, C&W's shares closed up 10p on the day at

مكدامن الدميل

ACQUISITIONS and improved margins helped Jarvis Porter, the specialist label printer for the spirits, toiletries and pharmaceuticel industries, more than double its full-year pretax profits.

The Leeds-based group which acquired the promotional print division of James Wilkes in August for a total of £12m, reported pre-tax profits of £4.78m in the year to February 28. This compared to £2.19m a year earlier when profits were depressed by a £500,000 provision to cover anticipeted rationalisation

Turnover grew by 40 per cent to £39.7m (£28.4m) with £9.3m of the gain attributed to acquisitions, including £7.9m from the James Wilkes' promotional businesses which are market leaders in printing drip mats and other promotional material for the drinks industry in the UK and Belgium.

Sales and profits were also boosted by a full year contribu-tion from Holmes McDougall, the Glasgow whisky label printer acquired in June 1991. Earnings per share rose from 8.3p to 11.4p and the final is being increased to 3.2p (3p) per share making a total of 4.7p

(4.4p) for the year.
Operating profits increased 63 per cent to £4.76m (£2.92m) with £1.2m of the gain attributed to acquisitions and £700,000 to organic growth. Operating margins rose to an all-time high of 240p. Forenearly 12 from 10.2 per cent. Pre-tax profits were also boosted by £24,000 in net inter-

interest costs of £221,000 last

Mr Richard Brewster, chief executive, who joined Jarvis in March 1991, said the results reflected the success of the group's strategy in focusing on specific niche markets within the packaging sector.

The group ended the year with net cash of £3.2m which helped fund the acquisition of two self-adhesive label compa-nies, Dolphin based in Lewis and Irwin Packaging Holdings based in Cardiff after the yearend. Jarvis paid £4.6m in cash from its own resources for the two companies and assumed £1.5m in bank debts.

COMMENT

Even excluding ecquisitions, operating profits et Jarvis Porter increased by 24 per cent and sales by 6.5 per cent last year. The group is now the biggest UK supplier in all three of its niche label markets, and increased its market share in the self-adhesive labels market by 5 per cent when it acquired Dolphin and Irwin Packaging, Further acquisitions are likely e list of 60 potential acquisitions in Britain and on the Continent. Some 18 per cent of group sales now go customers outside the UK and the group's involvement in Continentel rowings on capital expenditure follows its multinational customers overseas. The shars price has risen sharply since last Autumn and now stands at this year would give earnings of 14.1p and a prospective p/e

Rulings, relationships and regulatory regimes

Angus Foster on the slower profits growth expected from the forthcoming results of the 10 privatised water companies

WATER SERVICES COMPANIES

Pre-tax profits and dividends forecasts for year to

March 31 on an FRS3 basis

annual reporting seeson, largely prompted by expecta-tions of increased dividends, programmes starts to mount has so far failed to take

vatised companies, North West Weter, announcing results for the year to March 31 tomor-row, the sector has instead ous period. fallen more than 10 per cent in the last month. The decline partly stems from investors

and partly from worries about regulatory risk.

This year's results season, which rumbles on until mid July, will be the last before Ofwat's 1994 periodic review. when price levels to the end of ths decade and beyond will be set. As such, this will he the last time until after the review that ettention will still focus

switching into recovery stocks.

HE TRADITIONAL rally in water companies' shares ehead of their

the regulator. The results threaten to be unexciting. Although companies continue to diversify into unreguleted areas like waste management and process engineering, group results are still dominated by their core water and sewage businesses. These businesses are predictable and

on companies' results, rather

than their relationship with

Analysts expect everage pre-tax profits growth to slow from previous years to about 5-6 per cent. Operating profits are still growing rapidly, thanks to guaranteed price rises. But pretax figures are constrained by higher financing costs as borNorth West, for example, is expected to report interest charges of ebout £50m last year, compared to interest received of £16m in the previ-

Ms Angela Whelan, water analyst et BZW, expects most companies to have moved into lightly geared position. But, illustrating the strength of water compenies' balance sheets, average gearing is likely to increase to no more than 30-35 per cent by 1995. Behind the heedline profit

figures, which are all expected to be reported in line with FRS 3, three special situations are expected to lift profits at Northumbrian, Welsh and Wessex well above the sector aver-

Northumbrian will include e £7.3m first half profit from an investment fund, while Welsh will include a pre-tax £17m exceptional gain from the sale of its 14.9 per cent stake in South Wales Electricity last December. Wessex's results will be helped by a contribu-tion of several million pounds from UK Waste Management its joint venture with Wasts Management International of

Dividend growth, meanwhile, is expected to be more punchy, with companies announcing increases of 9 per cent or more, or a real increase

be pressured by shareholders.

As In previous years, this increase is likely to be seen by customers as excessive. According to Mr Robert Miller-Bakewell et NatWest Securities, the problem is partly due to felling infletion. "Given their dividend policy for the whole year was formulated (et tion was slightly higher, these final dividends will look pretty

generous," he said. Analysts therefore do not expect any further dividend increases to reflect changes in the rates of advance corporation tax introduced in the budget. With large capital allowances, water companies pay no mainstream corporation tax end stand to benefit from lower levels of unrelieved ACT. companies stand to save up to

£100m this decade due to the

some of which will lose money beceuse of the changes, to share the windfall by paying higher dividends. Ofwet is likely to disagree. With the regulatory review

looming, companies will also be pressed for initial thoughts ebout their strategic business plans, which will map out targets for the following ten years. The strategic plans are next March and will form the basis for the regulator's decisions on each companies' price increases from 1995.

As e first step towards the plans, companies are already consulting customers about the verious costs involved, observers earlier this month when initial public research suggested its customers may

standards. North West, in contrast, said its research showed enstomers wanted to keep

Ofwat's review is likely to cast an ever lengthening shadow over share prices in the lead up to the regulators' final rulings. According to weakness in weter shares also reflects investors' realisation thet a year of uncertainty has begun.
The regulatory regime is not

expected to become excessive. tougher for the second half of the decade than it has been for the first. Ofwat is also expected to start, probably this autumn. publishing its conclusions on questions such as the cost of capital and companies' efficiency sevings. Each announcement will give scope for litters as the market weighs up each ruling's implications

for the sector. The last area of companies' results which will come under scrutiny is returns from unregulated businesses. These were mainly acquired after the 1989 privatisation end heve performed poorly so far, partly because of the effects of reces-

Most companies see their unregulated businesses as e way to grow earnings after the periodic review and maintain



company acquired by Severn the most high profile example of a disappointing acquisition. remained loss making after interest costs last year.

Elsewhere, analysts will be keen to hear updetes from Yorkshire Water ebout Its engineering joint venture with Babcock.

Wessex should also have some early indications about the integration of NFC's waste arm, which it bought with Waste Management interna-

Highland and IDV may swoop on NB Distillery

est receipts compared with net of 17. This is e quality buy.

By Philip Rawstorne

HIGHLAND Distilleries and IDV, Grand Metropolitan's drinks division, are believed to be preparing a £100m. joint takeover bid for the North British Distillery, an Edinburgh-based distillsr of grain

company with 600 shareholders, announced 11 days ago that it had received e bid epproach, and it declined yesterday to add to its statement

The company, established last century by a consortium of land's Famous Grouse brand of blended scotch, and for J&B Rare, IDV's leading whisky

that the Highland/IDV move may have been sparked by fears that another international drinks group, possibly Seagram of Canada, was considering a bid.

The largest shareholder of North British, with 33 per cent, is Robertson & Baxter, a whisky blender, which is 35 per cent owned by Highland. North British, in turn, has a 4.8 per cent stake, worth about £17m, in Highland.

The Edinburgh distiller's

Profit before tax last year was £9.8m on sales of £31.3m. slightly below the previous year's results because of the pressures from surplus stocks

Sindall shares recover as court defeat studied

By Nigel Clark

Shares in William Sindall, the Cambridge-based hullder and civil engineer, yesterdey recovered 15p of their 25p fall on Friday to close at 80p.

The Friday fall followed the

relisting of the shares after Camhridgeshire County Council won an appeal against a jndgment given in favour of action for the rescinding of a

Mr Ray Johnston, company secretary, said the shares had returned to the level before the judgment began to have an

Sindall had bought the land former school playing field in Cambridge, from the council in 1988 with outline planning permission for housing bnt later discovered that a deeds, ran through it.

on Thursday pending the appeal. In April the company said it was delaying the publi-cation of its annual results. Mr Johnston said the results would be published soon but could not give a date. He said the indgment was e long and complex document which

required considered study.

He added: "The results will now record the ordinary trading figures of e company in benefit of the windfall we would have received if the

British Gas may build plant in Indonesia

By Deborah Hargreaves

construction of e \$260m power plant in Indonesia. The Indonesian government gave the com-pany the go-ahead yesterday to complete a full feasibility study on the project which would involve the construction of a 400 MegaWatt gas-fired power station at Serpong in west Java.

British Gas is currently discussing the project with a number of partners, but the

The project is understood to and feed into the Indonesian electricity grid. It would be handed over to the Indonesian

British Gas is involved in two other projects in Indon-esia. It is acting as technical consultant to Perum Gas Negara, the state gas company providing technological and management support for the expansion of the gas distribu-

British Data buy

acquired from Evsroffer its data storage business, which trades as S&P Office Services.

The purchese price is

BOARD N	EETINGS	
TODAY Jam. Metro Radio, Tunetali, Ireano, Plenting Euro, Fledg- ile, Resolicut Inst., Shiree Inv	Plante- Anglan Group Seculord Cook (Wm) Cropper (James)	Jun. 2 Jun. 1 May 25 Jun. 10 Jun. 7 May 26
Jun. 3	BMAP Europhath Coloui Grestiern House Hembro Inscel Lozard Select Inv. Tet. Nettoral Grid	May 27 Jun. 3 Jun. 1 Jun. 8 Jun. 8

BankofScollaid Annual Results

The production of the second s	The Late of	. TYANYA IN
	1993	1992
OPERATING PROFIT BEFORE PROVISIONS	£487.9m	£393.3m
PROFIT BEFORE TAXATION	£125.3m	£140.7m
TOTAL CAPITAL RESOURCES	£2,252m	£2,132m
TOTAL ASSETS	£28,809m*	£24,741m
EARNINGS PER ORDINARY STOCK UNIT	5.0p	6.4p
DIVIDEND PER ORDINARY STOCK UNIT	4.57p	4.35p

Operating Profit before provisions up 24 per cent on Profit before taxation £125.3 million

Net dividend increased by 5.1 per cent

Increase in mon-interest income exceeded increase in costs



For a copy of the Bank's Amual Report confact the Marketing and Public Relations Department, Bank of Scotland, Liberiok House, PO Box 12, 61 Grassmarket, Edinburgh EH1 2JF.

Telephone 0800 838 113.

areas, got hacking from

been unable to obtain the nec-

essary documentation, in the

form of maps in particular, in

time. They risk reductions in entitlement to aid of 1 per cent

per working day after May 15,

up to a maximum of 20 days.

after which they lose their

rights altogether. The deficit in returned forms also includes

small farmers who, in spite of

massive publicity, have not

The other day I heard of a

150-acre neighbour who had

not filled in his IACS forms

"on principle". At a rough

guess he has lost the right to

ahout £6,000 of aid this year

which is probably more than the annual profit he has made during the last few years. Even

a small hobby farmer with six

acres near here stood to lose

£300 for failing to complete his

forms, in spite of certain small

The majority of British farm-

ers who have done what was

required, however, can now

rlde their weed mowers and

wait for the money to arrive.

As they do so they will contem-

farm exemptions

realised what is at stake.

David Gardner in Brussels

EUROPEAN COMMUNITY agriculture ministers will today attempt to forge a compromise on this year's farm price package, against a formidable list of concessions demanded by France, and opposition among several member states to increases in milk quota for Italy.

The European Commission fears the demands could break the EC farm budget and risk unravelling last year's paintakingly negotiated reform of the Common Agricultural Policy.

"It is not so much that the demands are massive," one Commission official said, "but that the hudget is so tight now that any increase could be fatal. Plus [increases in] aid risks disrupting CAP reform."
The farm hudget, expected to

come in at around Ecus35bn this year, is under growing strain because of the currency turmoil of the past nine

The price package put forward hy Brussels is, on the face of it, anodyne, in that it derives almost wholly from the decisions on CAP reform taken last vear But the attempts to chip

away at it could turn into a challenge to the very tightly structured coherence of the reform itself. France wants a 50 per cent increase in the amount of compensation paid to oilseed producers for the land they set aside, or take out of production.

In addition, in response to the CAP reform's injunction to oilseeds and cereals producers to set aside 15 per cent of their land on a five-year rotational

High costs of producing nothing

basis, Paris wants the period of cut in butter prices; and a res toration of the 4.7 per cent cut in EC milk quota made in 1989, rotation of set-aside cut to two The Commission although this was thereafter recently increased the set aside fully compensated. percentage to 20 per cent for The milk demand, to help land which is not rotated, to farmers in France's mountain prevent farmers from maxim-

ising production by leaving

new CAP is not to be under-

mined, especially if there is a

Ireland, which wants to butonly their least fertile land faltress its smaller dairy (and heef) farmers. Senior Commission officials concede that France, in the But it further complicated the row over Italian milk quoend, will be allowed to pay its tas. Italy in principle is to get farmers additional national an extra 900,000 tonnes of milk rather than EC - subsidies for quota, if it can demonstrate set aside. But limiting the quantity will be vital if the that It is cutting 1.6m tonness of its now 2.5m tonnes over

The Benelux countries and knock-on effect through other the UK remain to be convinced member states. that it is on target · unlike Spain and Greece which nego-France also wants to loosen the new limits on buying in tiated similar concessions in surplus beef to the EC's growexchange for reducing the ing meat stockpiles; a reduction in the proposed 5 per cent

quota output.

surplus seen for 1992-3

By David Blackwell

THE GAP between world sugar production and consumption in 1992-93 is now widely expected to ha a deficit, but one London company has bucked the trend with a forecast of a surplus, albeit of only 560,000 tonnes. ED & F Man puts world production at 111.8m tonnes for

1992-93, and consumption at

111.3m tonnes.

However, the production figures are calculated according to each individual country's crop years, while consumption is calculated between October and September. Man's latest sugar market report notes that if production is worked out over a uniform Octoher-September season, a deficit of

313,000 tonnes emerges.
This is still much lower than last week's deficit estimates of 2.84m tonnes from Czarnikow, another London trada house. and 1.61m tonnes from the International Sugar Organisa-

Man points out that production estimates appear to be fall-ing into line, but "there is still much discrepancy surrounding the consumption numbers." It describes the market, which has soared on supply factors such as the falls in Thai and Cuban production, as "bereft of consumption news". This has led to resistance to any further

the market in raw sugar is likely to remain tight, especially as the emerging southern hemisphere crops for 1993-94 from Australia, South Africa and Brazil have all been hit by drought.

upward price movement. Nevertheless, Man believes

US farmers

criticised

ENVIRONMENTAL groups have criticised growing US reliance on chemical fertilizers and pesticides and called on the government to show "bold leadership" in pushing farmers to cut the use of agrichemicals, writes Lisa Bransten in Washington.

Programmes approved by Congress in 1990 to develop alternative ways to protect crops remain underfunded, say the environmentalists.

A study by Public Voice for Food and Health Policy reported that the volume of pesticides used on US crops rose 125 per cent between 1966 and 1991, despite a slight fall after 1988. A parallel study by the World Wildlife Federation reported that Sweden and Den mark cut pesticide use 25-50 per cent in the late 1980s due to government-sponsored government-sponsored

Russia's first international relied partly on the sale of mining tender is now renego-200,000 tonnes of concentrate a tiating almost every aspect of year to China. He intends to plans to develop the country's dispense with the services of biggest copper deposit, includ-Allen & Co, the private New ing the buy-out of its foreign York investment bank lined up hy Mr Wong to raise some of Mr Andrei Chuguyevsky, the capital, and has started whose Arter group holds 35 per talking to other western banks, cent of the Udokan Mining including Morgan Grenfell, as Company which won the tenwell as the International der, is acting partly under

copper concentrate to be smelted in Russia, rather than ment arm. Having defeated major western mining companies in a tenin China as initially proposed. der organised by Goldman This is one of the reasons Sachs, Mr Chuguyevsky's chalwhy Mr Chuguyevsky says he with the congressive states and the congressive states are controlled to buy out Mr Eddie Wong, the Hong Kong businessman who holds 45 per cent of UMC and set up lenge now is to raise western finance for an all-Russian project. The turnabout illustrates how everything, to quote a

to be renegotiated

Mr Chuguyevsky has also begun looking for alternative The licence agreement sting. sources of financing for the project, which was to have

lated that he appoint a world. class western company as proj. ect operator. This was widely expected to be Fluor Daniel. the US mining company which helped draw up a pre-feasingity study on the Udokan deposit. But Mr Chuguyevaky has begun talking to Austra lia's BHP, one of his competitors in the tender. He said he would appoint a project operator only after a feasibility study which would take more Finance Corporation, the World Bank's private investthan a year.

ble" in Russia's investment ch

at

Anothe

blow fo

Zeneca

11.11

NEW HIGHS

F0%3 =0 =

EQUITY FUTURES

One problem was that though foreign companies were keen to extract guarantees of tax concessions from the Russian government, these would not be forthcoming in advance Five Russian enterprises have already undertaken to smelt

Low price forces lead output cut

western banker, is "negotia-

THE DRIFT in lead prices to the lowest levels for nearly seven years sparked a cut in production by a leading European smelter yesterday.

By Leyla Boulton in Moscow

THE RUSSIAN winner of the

pressure from the Russian

authorities, who now want the

Metaleurop said it would

to reduce oversupply in markets depressed by economic weakness in western Europe and exceptionally high ship-

plaint to the EC Commission in Brussels

Yesterday the three-month lead price on the London Metal Exchange moved ahead by more than £9 to £274.625 a tonne after a fresh 6%-year low last Friday after LME warehouse stocks rose to a record 254.125 tonnes.

Mr Nick Moore, analyst with Ord Minnett, said the Metaleurop decision crystallised "the debilitating impact of eastern hloc shipments to the West".

Imports from these countries were a record 173,000 tonnes in 1992. Chinese exports were up

tonnes in 1991; Polish exports were at 14,000 tonnes from 8,000 tonnes; and CIS exports were 70,000 tonnes from 45,000: Mr Moore pointed out that in 1980 the West exported 123,000 tonnes to the East. Consumption in the West last year, fall 0.9 per cent to 4.43m tonnes.

in dollar terms three-month lead fell from \$450 a tome at the beginning of April to \$404 last week. Yesterday it closed at \$423 a tonne, equivalent to ... 19.20 cents a lb. The average cost of producing refined lead ... in the West is thought to be between 23 and 24 cents a lb.

to 73,000 tonnes from 9,000 12 intends to take the latter com-

By David Blackwell

stop production at smelters in France and Germany between June 15 and August 15, cutting refined ontput by 50,000 tonnes. The company said it wanted

ments from eastern Europe, It

Zinc mines 'under acute stress'

By Kenneth Gooding, Mining Correspondent

ZINC MINES are suffering acute financial stress because of low prices for the metal and hecause revenues from byproducts such as lead and cadmium are also seriously depressed, according to Mr David Humphreys, economist at RTZ Corporation, the world's biggest mining com-

Prices for three metals languish at or near their lowest levels in real terms. Some smelters, far from giving a financial credit for the cadmium content of concentrate (an intermediate material), are imposing financial penalties if

it is present, he said. far this year cuts have heen made at zinc mines owned by MIM. Pasminco and Aztec Mining in Australia and hy Noranda, Cominco, Curragh

(Prices supplied by Amalgamaced Metal Trading)

AM Official Karb close Open Interest

Zinc: Regional mining costs Cash breakeven costs, 1981 (c/b) 50 LINE 3-months price

2 3 4 5 Output in sommer (mm)

Lead and Zinc Study Group predicts mine output will fall this year by 6 per cent or more from the 1992 level. But,

HEATING Off. 42,000 US galls, cents/US galls

because stocks of zinc concentrate are so large, this will not in itself be enough to choke off production of refined metal from the smelters, which have good financial reasons for continuing output at a high level.

Mr Humphreys said: "Without further smelter cuts, zinc metal production is on course for a further increase, largely from Latin America and non-Japan Asia."

If prices were to rise and stocks - at present represent-ing more than 11 weeks' supply compared with the maximum of six weeks that the industry needed - to fall, smelter production cuts were urgently required. "Exchange rates and the condition of the domestic market suggest that cuts will In Europe 18 smelters, one third of the world total, chased the same raw materials and

Chicago

Even those who sent in Domesday forms face an uncertain future last month with cold towels wrapped around their heads or the public relations

hattle. It was, of course, entirely predictable that the blame for the apparent nonsense incorporated into the reform of the Common Agricultural Policy would rebound on farmers. The proposed payment of EC taxpayers' funds to Community farmers in order to persuade them not to grow crops was bound to attract derision from the antis of both

agriculture and the EC itself. Indeed it is not so long ago that I was in the hablt of deriding similar policies in force for many years in the US. In afterdinner speeches I used to quote a letter claimed to have been sent by an American farmer to his senator.

It was based on the (inaccurate, but only slightly) premiss that US farmers could get government grants "for not raising bogs. So I am going into the not raising hogs business next year," the letter writer continued. "What I want to know is what is the best kind of farm not to raise hogs on and what are the best kind of hogs not to raise?" And it went on to describe the difficulty the fictitious writer ancitipated in "keeping an inventory of how many hogs I have not raised". It ended with the following postscript: "Can I raise 10 or 12 hogs on the side while I am in the not raising hogs business just enough to get a few sides

A few years ago that "letter" was guaranteed to raise a good laugh among a British farming audience. But I have not used it recently because today we

too are in the not raising commodities businessand it might

MARKET REPORT

GOLD fixed slightly lower than its

queneing for expensive Ordnance Survey maps of their farms in order to complete long and complicated forms to qualify for such aid under The Integrated Administration and Control System (IACS), farmers should hardly be surprised that attacks on them have already begun.

First in line, again predictably, is the softest landowning target of all, the Royal Family. "The queen and Prince Charles" thundered a popular Sunday paper recently, "are set to receive nearly £300,000 of taxpayers' money this year. Of that, alleged the Sunday Express, £60,000 is for set-aside. the policy of paying farmers to grow nothing. The front page article failed adequately to explain that the remainder must, if the figures were accurate, be compensation for cuts in guaranteed prices which also formed part of last year's CAP reform package.

As a reluctant participant in the same scheme I must avoid defending it. But to criticise the queen, or any other farmer. for claiming compensation for being forced to "do nothing" on some of their land is equivalent to saying that people who invest their savings in a building society should not receive interest. The fact is that the owners of land are as entitled to earn income from their asset as the owners of cash or shares and when that entitlement is denied, or reduced, hy government decree they should also be entitled to compensation. In any event it is hardly accurate to suggest that the cash will go to farmers for doing nothing. Claimants are required to keep set-aside land



trimmed and free of harmful weeds. And when the time comes to plough and plant another crop the costs of this preparation of the soil will be much higher than if the land had been regularly cultivated. It should also be understood that although the set-aside

scheme is advertised as voluntary, it is in fact virtually compulsory. For farmers who do not participate deny themselves the right to compensation for commodity prices which will be 30 per cent lower by 1995. Few could survive such a cut in revenue - given that incomes have already fallen by more than 50 per cent in real terms during the last decade - especially when they face significant increases in the costs of imported inputs as last September's devaluation of sterling begins to hite.

So, like the queen and her agents, most farmers concluded they had little alternative to setting land aside and therefore attempted to complete the so-called Domesday forms claiming compensation hy the May 15 deadline.

But some have not done so. Of the 240,000 forms sent out, only 155,000 had been returned hy the due date. The rest prob-ably includes some who have

COCOA - London FOX

Previous

plate with little pleasure the set-aside fields they are trimming and which they would rather have seen growing crops; the possibility that should there eventually be a Gatt agreement the area of setaside they will be forced to take out of production could be doubled; and the very real risk that compensation for all this may not last. For the irony is that the

reformed CAP is likely to cost EC taxpayers significantly more than the flawed original. will take very good PR indeed for the package to survive. Especially as farmers, the apparent heneficiaries, don't like it either.

£/toxme

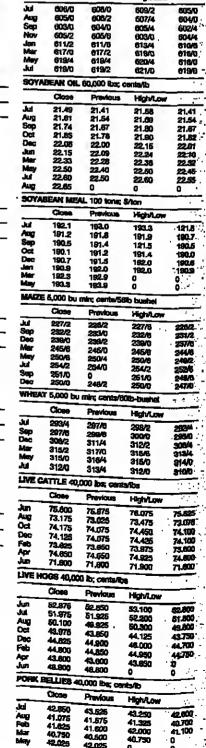
reduction programs. **WORLD COMMODITIES PRICES**

LONDON METAL EXCHANGE

Cash	255-6.5	255.5-6		265,25-5.5		tumover 4,348 lots
3 months	274.5-4.75	265-5.5	206/264	275.5-5.75	266-7	19,738 lots
Nickel (\$ p	er tonne)				Total daily	turnover 5,291 lot
Cush	5640-5	5660-6		5605-7		
3 months	5705-10	6725-30	5725/5650	5672-5	5705-10	49,382 kta
Tin (3 per t	onne)				Total daily	turnover 1,892 lots
Cush	5425-7	5445-55		5405-8		
\$ months	5485-90	5500-10	5510/5500	5465-7	5500-10	8,835 tota
Zinc, Spec	tel High Grade	(\$ per tonne)			Total delly	tumover 18,778 lots
Cesh	946.5-7,8	952.5-3.5	853.5	551-1.0		
3 months	965-6	971-2	979/970	969-9.5	971-2	67.611 lots

	65-6	871-	2	979/970		0.5		971-2	67,	611 lots
SPOT: 1.5355	£/\$ rate:	3 mon	then 1.	5262	6	months	r: 1.5	172	9 mc	rithe: 1.50
Course subby Totalog in	ed by N M		60)		Ne	W	Y	ork		
Gold (troy oz)	\$ price		tupe 2	valent	GOL	D 100 t	TOV O	z.; \$/troy a		
Close	376.50-37				_	Clo	<u> </u>	Previous	High/Low	
Opining Moming fix	379.75-38 380.00		247.60	5	Mey	373	_	377.5	0	0
Attention for	379.25		247,43		Jun	374	2	377.9	381.9	372.0
Day's high Day's low	381,25-38 375,50-37				Jul Aug	375 376		378.8 379.9	384.0	0 374.0
Loco Ldn Me			·	Ma such	Oct	377.		381.7	385.5	376.2
					Pec	379 381		383.4	387.8	377.0
1 month 2 months	2.60	6 mor		2.51 2.51	Apr	363	.0	386.7	389.5	385.0
3 months	2.51	12 114		2.01	Jun	384		388.4	391.0	388.0
Silver fix	p/troy oz		US cta	equiv	PLAT	MUM:	50 tr	y oz; S/tro	y oz.	
Spot	308.25		172.25			Clos	10	Previous	High/Low	
3 months	312.55		75.65		Jul	385.		393.4	397.0	384.0
6 months 12 months	815.95 325.85		479.25 488.05		Oct	384,		391.9 391.4	395.0 393.5	383,0
			+00.00		Apr	363		391,1	382.0	392.0
GOLD COME					SILVE	SR 5,90	O tro	y OZ; cents	tray az,	
	\$ price		£ equ			Clos	10	Previous	High/Low	
Krugerrand	380.00	383.00	280.00		May	453.		496.9	486.0	452.0
Maple led	. 384.65				Jun Jul	453. 455.		487.2 466.3	482.0 474.5	482.0 452.0
New Sovereign	90.5-93	50	5 0- 61		Sap	458.		471.5	477.D	455.D
					Dec	483.		478.2	482.0	460.0
TRADED OP	TORS				Jen Mar	483.		476.8 481.0	0 487.0	0 467.5
Atumhium (98	1,756)	Calls		Puts	May	471.		484.7	491.0	470.0
Strike price S	tonne Jul	Sep	Jul	Sep	Jul	474.		488.0	494.5	484,5
1125	30	46	23	28	Sep	478.		491.9	489.0	489,0
1150	17	34	37	40	HEH				00 lbs; cane	s/bs
1176	8	24	54	. 55		Clos	<u> </u>	Previous	High/Low	
Copper (Grade	A)	Calls		Puts	May Jun	81.3 81.3		\$1.85	81.00 61.36	81.10
1800	74	102	47	66	Jul	61.6	5	\$1.90 \$2.25	81.90	61.15 61.30
1860 1900	50	77	73	81	Aug	81.9	5	82.50	0	0
1800	32	57	104	120	Sep Oct	82.2 82.5		\$2.80 83.05	82.55 82.80	82.00
					Nov	B2.B		83.30	63.10	82.80 83.10
Cottee	Jul	Sep	JU	Sèp	Dec	83,1		83.60	83.35	82.90
900	50	73	5	42	Jen	83.2		83.75	83.60	83.60
950 1000	24	49	17	68	Feio	83.5		84.00	0	<u> </u>
	10	33	41	102	CRUC				galls \$/bar	<u>rej</u>
Cocos		Şep.	Jul	Sep				Previous	High/Low	
700 726	5	24	40 62	15 29	باللا مدين	18.77 20.00		19.88 20.07	19.94 20.12	18.72
750	2	17 11	86	43	Aug Seo	20.12		2007 20.16	20.12	19.95 20.10
	•	••		-	Oct	20.10	3	20.23	20.27	20.15
Brent Crade	Jul	Aug	Jul	Aug	Nov Dec	20.20		20.25 20.27	20.25 20.29	20.20
				<u>-</u> _	Jen	20.2		20.27 20.27	20.29	20.23 20.24
1 80 0 1860	- 18	76 45	12 30	23 41	Feb	20.27	7	20.27	0	0
1900	18	45 21	-	-	Mer	20.23 20.20		20.26 20.26	20.27	20.22
	•				Apr	212	,	هنع	•	0

	1 -44	D 4							
_	Latest	Previous			SOY	NBEANS 5,	000 tau min; t	enta/80% be	zahol
Jun Jul	54.00 54.25	54.44 54.68	64.55 54.80	53.80 54.20		Close	Previous	High/Low	,
Aug	65.10	55.33	55.40	65.05	Jul	606/0	608/0	609/2	60
Sep	56.10	56.38	58.45	56.00	Aug	605/0	606/2	607/4	60
Oct	57.05	67.38	57.35	57.00	Sep Nov	603/0	604/0	605/4	60
Nov	58.00	58.33	68.30 .	58.10	Jan	605/2	606/6 611/6	613/4	61
Dec	59.10	59.23	59.30	59.06	Mar	617/0	617/2	619/0	61
Jest Feb	59.40 59.45	59.71 69.44	59.85 59.45	58.60	Mey	619/4	619/4	620/4	61
Mar	58.10	58.06	58.15	58.45 58.05	Jul	619/0	619/2	621/0	61
_		es:3/tornes		-	SOY		60,000 lbac o	di\eine:	
	Close		Hah/La			Close	Previous	High/Low	
_		Previous			Jul QuA —	21.49 21.61	21.41	21.58	21.
uř	886	887	883	680	Sep	21.74	21.67	21,69 21.80	21. 21.
ec lec	916 959	218	924	213	Oct	21.85	21.78	21.90	21.
Var	982	960 892	965 907	953 980	Dec Jun	22.08 22.15	22.00	22.15	22
Vay	1015	1015	0	0	Mer	22.33	22.09 22.28	22.24 22.38	22 22
ud	1035	1035	1044	1040	May	22.50	22.40	22.50	22
lep .	1058	1058	0	0	Jul	22.60	22.50	22.60	22
900	1090	1090	0	0	Aug	22.65	0	0	0
ter_	1124	1124		0	SOYA		LL 100 tone;	\$/ton	
OFF		,500Rae; cen	ts/ibe			Close	Previous	High/Low	
	Close	Previous	High/Lov		- Jul Ang	192.1 191.2	193.0 191.8	193.3	-121
lay	62.50	59.65	61.40	60.50	Sep	190.5	191.4	191.9 121.5	190
ď	61.45	85.40	66.30	61.10	Oct	190.1	191.2	191.4	190
O	63.25	67.20	68.00	63 00	Jen Jen	190.7 190.9	191.5	192.0	190
ec lar	65.80 67.70	69.80	70.40	65.60	Mer	192.3	192.0 192.9	192.0	190
ey	89.85	72.00 74.00	72.50 0	67.70	May	193.3	193.9	ŏ	0
,	71.20	75.60	ŏ	0	MACE	6,000 bu	min; cente/58	Sh bumbal	
ap	72.75	77.20	ŏ	ŏ		Close	Previous		
JGA	R WORLD	*f1" 112,00	00 lbs; cen	ts/be	Jul	227/2	225/2	High/Low 227/8	226
	Cione	Previous	High/Lou	,	- Sap Dec - Mar	232/2	239/2	232/6 239/0	231
,	11.61	12.36	12.42	11.56		245/6	246/0	245/8	237 244
*	11.75	12.37	12.36	11.75	May Jul	250/8 254/2	250/4	250/6	240
•	11.20	11.57	11.54	11.18	Sep	251/0	254/0	254/2	252
ay i	11.00 11.00	11.42	11.20	11.15	Dec	250/0	248/2	251/0 250/0	245
•	10.94	11.34 11.28	11,33	11.32 0	WHEA	T 5,000 bu	mirc cents/8	Element .	
0110	ON 50,000	cents/live		<u> </u>		Close	Previous	High/Low	
	Close	Previous	Library and		. 30	293/4	297/0	298/2	288
			High/Low		Sep Dec	297/8 308/2	299/8	300/0	. 295
i ct	61.34 59.90	60.96	61.40	61.00	Mar	315/2	311/4 317/0	312/2	306
α 160	59.14	58.75 58.95	59,90	59.68	May	315/0	316/4	315/6 315/0	313
ř	60.08	59.96	80,10	58.91	701	312/0	313/4	312/0	310
·	60.65	60.70	0	69,95 0	LIVE	ATTLE 40	000 lbs; cars;		
Ĺ	51.10	61.20	61.45	81.10		Close			- : :
_	60-10	60,19	0	0	Jan	75.800	Previous	High/Low	
AN	SE JUICE	15,000 lbs; (cents/fbs		Aug	73.175	75.875 73.025	76.075	75.5
_	Closs	Previous			Oct	74.175	74.075	73.475 74.450	73.0
_			High/Low		Dec Feb	74,125	74,075	74.425	74.1
1	112.10	109.95	115.60	110.55	Apr	73.825 74.850	73.650	73.875	75.0
P	115.00	112.50	117-90	113.50	Jun	71,600	74.650 71.800	74.925	74.0
	117,00	114.00	119.00	116.25			71,800	71.900	71.0
Ď.		116.80	120.30	117.00	PAEH		0 lb; cents/fb:		
jv 13	118.85 110.05			445.00		Close			
1 1 1	119,95	117.25	120.40	119.00	-	CHURCH	Previous	High/Low	
	-		120.00	118.00	Jun	52,876		High/Low	-
ey	119,95 119,95	117.25 116.95		118.00 0	Jul	52,876 51,975	52.850 51.925	53,100	\$2.00 51.00
	119,95 119,95 119,96	117.25 116.95 116.96	120.00 0	118.00	Jul Aug	52,876 51,975 50,100	52.850 51.925 49.825 .		\$2.8 51.8 49.8
	119,95 119,95 119,96	117.25 116.95 116.96	120.00 0	118.00 0	Jul Aug Oct	52,876 51,975 50,100 43,975	52.850 51.925 49.825 43.850	53,100 52,200 50,300 44,125	51.5 49.5 43.7
EN E	119,95 119,95 119,95 119,95	117.25 116.95 116.96 118.96	120.00 0 0	118.00 0 0	Jul Aug	52,876 51,975 50,100	52.850 51.925 48.925 43.850 44.900	53,100 52,200 50,300 44,125 46,000	51.8 49.8 43.7 44.7
ev so lev ley sp	119.95 119.95 119.95 119.95 CES	117.25 116.95 116.96 118.96	120.00 0 0 r 15 1831	118.00 0 0	Jul Aug Oct Dec Feb Apr	52,876 51,975 50,100 43,975 44,825 44,800 43,600	52.650 51.925 48.925 43.850 44.900 44.850	53,100 52,200 50,300 44,125 46,000 44,950	51.50 49.50 43.73 44.70
ev so lev ley sp	119.95 119.95 119.95 119.95 119.95 CES	117.25 116.95 116.95 118.96 118.96 Mey 21	120.00 0 0 r 15 1831 mnth ago	118.00	Jul Aug Oct Dec Feb Apr Jun	52,876 51,975 50,100 43,976 44,825 44,820 43,800 48,900	52.650 51.925 49.925 43.850 44.800 44.850 43.800	53,100 52,200 50,300 44,125 46,000 44,950 43,650	51.8 49.8 43.7 44.7
ey ep REU	119,95 119,95 119,95 119,95 119,95 CES TERS (But May 24	117.25 116.95 116.95 118.96 118.96 May 21	120.00 0 0 r 15 1831 mnth ago	118.00 0 0 0 100) yr ago	Jul Aug Oct Dec Feb Apr Jun	52,876 51,975 50,100 43,976 44,825 44,800 48,800 48,800	52.650 51.925 49.925 43.850 44.800 44.850 43.800	53,100 52,200 50,300 44,125 46,000 44,950 43,650	51.8 49.8 43.7 44.7 44.7
er ey ep REU	119,95 119,96 119,95 119,95 Cars May 24 1681,4	117.25 116.95 116.95 118.95 118.95 May 21 1674.0 Seer Dec. 3	120.00 0 0 r 15 1831 math ago 1958.9	118.00 0 0 100j yr ago	Jul Aug Oct Dec Feb Apr Jun PORK I	52,876 51,975 50,100 43,976 44,825 44,820 43,800 48,900	52.850 51.925 46.925 . 43.850 44.900 44.850 43.600	53,100 52,200 50,300 44,125 46,000 44,950 43,650	51.8 49.8 43.7 44.7 44.7 0
MDI	119,95 119,95 119,95 119,95 119,95 12938 (Bas May 24 1681,4 7 JONES (I	117.25 116.95 118.96 118.96 118.96 May 21 1674.0 Seer Dec. 3	120.00 0 0 r 15 1831 mnth ago	118.00 0 0 100) yr ago	Jul Aug Oct Dec Feb Apr Jun PORK I	52.876 51.975 50.100 43.976 44.825 44.800 43.800 48.800 BELLIES 40 Close	52.850 51.925 49.925 43.850 44.900 44.850 48.800 2,000 lbs; corr	53,100 52,200 50,300 44,125 46,000 44,950 43,850 0 ts/ts	51.8 49.8 43.7: 44.7: 0
Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y	119,95 119,96 119,95 119,95 Cars May 24 1681,4	117.25 116.95 116.95 118.95 118.95 May 21 1674.0 Seer Dec. 3	120.00 0 0 r 15 1831 math ago 1958.9	118.00 0 0 100) 1 yr ago 	Juli Aug Oct Dec Feb Apr Jun PORK I	52.876 51.975 50.100 43.976 44.825 44.800 43.800 48.800 BELLIES 40 Close 42.850 41.075	52.850 51.925 49.925 49.925 43.850 44.950 49.800 1,000 fbs; cer Previous 43.526 41.575	53,100 52,200 50,300 44,125 46,000 44,950 43,850 0 ts/ts	51.8 49.8 43.7 44.7 44.7 0
P P P P P P P P P P P P P P P P P P P	119,95 119,95 119,95 119,95 129,95 129,95 129,95 1681,4 7 JONES (1	117.25 116.95 116.95 118.96 118.96 May 21 1674.0 Sees: Dec. 3 May 20 120.67	120.00 0 0 0 15 1831 meth ago 1668.9 1 1874 = 1	118.00 0 0 100) yr ago	Jul Aug Oct Dec Feb Apr Jun PORK I	52.876 51.975 50.100 43.976 44.825 44.800 43.800 48.800 BELLIES 40 Close	52.850 51.925 49.925 49.925 44.900 44.850 43.600 48.800 Previous 43.626	53,100 52,200 50,300 44,125 46,000 44,950 43,950 0 65/b High/Low 43,250	51.8 49.8 43.7 44.7 0



morning setting in the afternoon on the London bullion market, taking the steam out of the overnight run-up in prices for all precious metals, dealers said. Technically, gold'a outlook remains positive. ZINC broke lower on the LME, anding near fresh six-year lows. Selling pressure at around \$970 a tonne for three-month metal eventually triggered the expected sell stops, driving prices down to \$957 at ona atage. Fundamentals remain weak, with supply continuing to exceed demand, and the market is in need of cuts in refined production to prevent

London Markets

rade oil (per barrel FOB)(Ju	a	+ or -
ubai	\$15.90-5.922	
rent Blend (dated)	\$18.07-8.09	-0.02
rent Blend (Jul)	\$18.35-8.37	
TJ (1 pm est)	\$19.75-9.78z	106
ll products NYE prompt delivery per to	onne CIIF	+ or -
emium Gasoline	\$209-211	-1
	\$171-176	-1.5
lavy Foel Oil	\$69-70	-1
phtha troleum Argus Estimates	\$164-186	+0.5
ber		+ 07 -
ki (per troy oz)‡		+1.6
ver (per troy ozy)	459.0c	+3.5
atinum (per troy cz)	\$389.65	+4.9
ladium (per troy oz)	\$119.50	+2.0
oper (US Producer)	88.5c	
ad (US Producer)	34.63c	+1.13
(Kusta Lumpur market)	13.90r	-0.08
(Mary York)	251 0	-1,5
(US Prime Western)	62.0c	
ia five weight:	142,58p	+2.61*
rep (live weight)†\$	138.19p	+3.57
tůdpiow ovij) o	91,32p	-1.03
don daily sugar (raw)	\$300.0	+0.0
idon daily sugar (white)	\$300.0	+5.5
e and Lyle export price	£313.0	+7.0
ley (English feed)	Unq	
size (US No. 3 yellow)	€166.5	
eet (US Dark Northern)	Unq	
aber (Juni¶	58.75p	+1.25
bber (Ju)V	59.00p	+1.25
bber (KL RSS No 1 May)	208.5m	
conut oil (Philippines)§	\$430y	+7.5
m Of (Mateysian)§		-2.5
va (Philippines)§	\$265u	
rabeans (US)		+3
ton "A" index	59.85c	
oltops (64s Super)		-6
torné unless génerales		

further losses. TIN touched fresh 17-month lows, and traders expect further losses soon. If recent contract lows near \$5,450 a tonne for three-month metal are breached, the market could fall to \$5,300 - the lowest 21 real terms since the early 1970s. London robusta COFFEE ended around the day's lows on profit taking after an earlier advance. Dealers said moves between Latin American producers towards setting up an fance to harmonise polices would

they i	ed to fi	m agre	ements to		Jul Sep Nov Jan Mer Mey	933 932 940 950 960 976	941 941 941 954 956 957
SUGAL	- London	POX	(3)	per tonne)		r: 2872 (5	
White	Close	Previous	High/Low		21 Con	leator prices. delity 5	
Aug	296.00	304.00	304.50 295	5.20	(53.55)		
Oct	294,50	300.30	300.00 294	1.00			
Dec	294.00	300.30	294,00		POTAT	1006 - La	mdqa
Mer	294.60	300.30	297.70 294	LOO		Ciose	Pre
May	297.00	\$02.80	296.00 297	7.00	Apr	95.5	84.
White 5	85 (728) Ps	ede- Walte	Offr per tons	nok:	May	103.1	101
	25.58 Oct			·	Turnove	r 24 (31) i	ots a
CRUDE	QE, - 878			\$/barrel	SOYAN	EAL - Lo	-do
	Letes	Previou	n High/Lo	NV		Close	Pre
Jul	18.37	18.43	18,48 1	8.36	Aug	143.30	141
Aug	18.50	18.69	18.61 1	8.62	Oct	146.30	•
Sep	18.60	18.70	18.73 1	8.67	Turnove	r 20 (0) lo	a of
Qet	18.78	18.82	18.80 1	8.76			
Dec	18.86		15.66		FREIGH	IT – Lond	oo P
iPE Ind	x 18,45	18.29				Clase	Pre
Turnova	8886 (211	IO7)					
					May Jun	1640 1535	163 154
					Jul	1380	138
eas ce	L - 87E			\$/tonne	Oct	1435	144
	Close	Previous	High/Low		Jen	1476	147
					89	1636	163
Jun	170.60	171.25	171.50 169		Τυπόνο	205 (238)
Jul	171.00	171.50	171.50 170				
Aug	172.70	173.50	178.50 172		CRAPH	- Londo	
Бер	174,50	175.26	175.00 174				
Det	177.75	178.25	178.00 177		Wheet	Close	Pres
Nov	179.75	180.50	180.00 179	.75	Jun	139.00	198

181,75 181,25

189.96

|--|

182.75

182.75

191,75

182.25

	Close	Previous	HEIVLOW	
May	648	643	645 639	
Jul Sep	665 661	664 661	667 658 682 674	
Dec	703	703	705 698	
Mar	724	724	724 718	
vlay kui	738 752	738 752	799 734 753 751	
_		348) lots of		
000	dicator p	ices (SDRs	per tonne). De	ly price
or May	21 696.5	9 (698.57) 1	day average	for May
7 101.	38 (702.4	4		
-	E - Lond	_		\$/forme
	Close	Previous	High/Low	
May	921	928	936 920	
Juli Sep	932	947 941	955 933 952 930	
Nov	940	847	957 941	
Jen Mer	950 960	954 959	957 955 964 959	
Viey	976	957	965	
Limove	c. 2872 (5	761) lots of	5 tonnes	
CO ind	leator pric	as (US cent	to per pound) (16 day averag	or May 6 53.65
POTAT	006 - La	ados FOX		£/tarme
	Ciose	Previous	High/Low	
\pr	95.5	94.0	95.5 94.1	
Asy	103.1	101.5	103.1 102.0	
UTTIOVE	24 (31)	ots of 20 to	mes.	
OYAM	TAL - Lo	mdos FOX		C/tonne
	Close	Previous	High/Low	
wg .	143.30	141,00	143.00	—
ct	146.30		146.00	
Vmove	20 (O) to	ta of 20 ton	nes.	_
THOS	T – Lond	ee POX	\$10/Inde	x point
	Class	Previous	High/Low	
Agy	1840	1638	1640	
un	1535	1543	1550 1530	
ui Xct	1380 1435	1385 1444	1390 1375 1446 1495	
en .	1475	1478	1480	
19	1638	1631		
PACOLINI	205 (238)		
RADIA	- Loude	# FOX	-	Nonne
Street	Close	Previous	High/Low	
מט	139.00 108.90	198.60 108.75	139.05 138.90 109.10 109.00	
		111.70	111.95	-
lav An	111.80		114.20	
lav Im	111.50	113.95	11-12-0	
lav In Igr		113.95 Previous	High/Low	
to to tur arley	114.15 Closs	Previous	High/Low	_
lav en ler carley	114.15			_
lav Igr Igr Ov Igr	114.15 Close 108.50 111.00	Previous 106.60 111.15	High/Low 108.50 111,00	<u> </u>
lav lan lar lav lav an	114.15 Close 108.50 111.00 Wheat 9	Previous 106,50	High/Low 108.50 111,00	<u> </u>
lav lan lariey lov an lumover	114.15 Close 108.50 111.00 Wheat 9 lots of 10	Previous 106.50 111.15 0 (445), Bar 20 Tonnes.	High/Low 108.60 111.00 ley 4 (152).	
lav lan lariey lov an lumover	114.15 Close 108.60 111.00 Wheat 9 lots of 10	Previous 108.50 111.15 0 (445), Ber 20 Tonnes.	High/Low 108.60 111,00 ley 4 (152).	Q p/kg
lav en ler lariey lov en lumover lumover	Close 108.50 111.00 Wheat 9 lots of 10 Close	Previous 106.60 111.15 0 (446), Ber 20 Torress.	High/Low 108.60 111,00 ley 4 (152). Coats Settlemen	Q p/kg
tov ter ter tov en ternover ternover	114.15 Closs 108.50 111.00 Wheat 9 lots of 10 confen F Close 116.8	Previous 106.50 111.15 0 (448), Ber 20 Tonnes. 02K R Previous	High/Low 108,50 111,00 ley 4 (152). Cash Settlemen High/Low 116,5	() p/kg
tav en ter Seriey ov en turnover turnover	Close 108.50 111.00 Wheat 9 lots of 10 Close	Previous 106.60 111.15 0 (446), Ber 20 Torress.	High/Low 108.60 111,00 ley 4 (152). Coats Settlemen	() p/kg

			
الأحمل	من		
A PARTY OF THE PAR	-		_

FT-A ALL-SHARE

LONDON STOCK EXCHANGE

Late rebound eases gloom on rate cut

GLOOMY perceptions of the outlook for interest rates and for the recovery in the UK economy kept London stocks subdued for most of yesterday's session, and traders drew little comfort from a successful rebound from the FT-SE 2,800 area. With the institutions still evidently unwilling to move ahead of the BT III sale, which was launched yesterday, and the outcome of the Zeneca rights issue, the new equity trading account made an unimpressive start.

The market rallied from the day's low point with the help of a sizeable trading programme, weighted towards the buy side and thought to have been operated by the London arm of a Swiss bank. In early deals, London was depressed by the combination of Wall Street's weakness on Friday and a slow start in UK stock index futures. The low point of 2,804.3, down 7.9, was reached early, however, and shares began to steady as the trading programme took effect.

But the rally proved extremely challow and the market remained no more than a shade either side of Friday'e close until late in the session. Not until New York had opened with a gain of 15 Dow points in UK hours did London turn distinctly higher.

The success of New York's Dow Industrial Average in stemming its fall comfortably ebove the sensitive 3,490 mark cheered the UK market. At its final reading, the FT-SE Index was 13.4 up at 2,825.6. The stress on the international blue chips was reflected in the relative underperformance of the FT-SE Mid 250 Index which, although at another new peak of 3,168.4, edded only 3.3.

Seaq volume slipped to given ground recently. 510.5m shares in a trading session generally agreed to be uneventful, with non-Footsie business around normal averages at some 64 per cent of the total. Friday's 699m shares through the Seaq network was worth £1.43bn in retail value. Retail business, the most sig-nificant guide to the market'e bealth, has remained high as the Footsie Index has

TRADING VOLUME IN MAJOR STOCKS

The market's growing doubts about the outlook for the Zeneca rights issues were not helped yesterday by negative views on the pharmaceutical sector by analysts at a leading US investment bank. The opening of the sales campaign for the BT III issue, which will comprise virtually all the remaining government stake at a price of more than £5bn,

eerved to remind the stock market of demand on institutional cash. On the broader economic front, the UK stock market's dwindling hopes of a base rate cut were bruised by reports that a member of the Bundes-

hank council had dismissed any likelihood of a cut in Ger man rates within the next few months. The chances of a cut in UK rates are regarded in the stock market as a political decision hinged on the prog-ress of the recovery in the domestic economy, but news yesterday of a slight narrowing of Britain's trade gep with non-EC countries last month had little effect. In any event, any move on base rates is thought highly unlikely ahead of tomorrow's auction in the UK government bond market.

Against this uncertain background, UK chares appeared hesitant. Some brewery stocks extended the losses suffered last week in the wake of trading results from Bass, but consumer stocks were generally

Accoun	t Dealing	Detes
Tiret Oselinge: 1/29 10	14sy 24	7 مىلا.
Option Declaratio May 20	Jru 3	Jun 17
Last Danlinger May 21	Jan 4	16 منڈ
Account Days Jun 1	Jun 14	in 28

taking place. It made a loss of

£17.1m for the 18 months to

March 31. Dealers said they

were equally mystified by the

Carlton Communications

gained 6 in pre-market trading

after reporting half-year profits

of £55.1m, in line with most

expectations. However, once

the reassurance had been felt

there was nothing else to latch

on to and the shares were pul-

led back to close a penny down

MARKET REPORTERS:

Christopher Price,

shares' rise.

Another blow for Zeneca

12.19

Tess

A CHANGED recommendation on Glazo by a leading investment bank prompted a turnaround in the stock and also added to market worries over prospects for the Zeneca rights issue. The analyst's move highlighted the fragile nature of the sector and the vulnerability of the impending £1.3bn rights issue from Zeneca, the biosci-

ence arm of ICL Glaxo was up 16p in the morning on the back of positive reports in the weekend press. Then, Credit Suisse First Boston moved its recommendation to sell from buy. The advice was aimed chiefly at US investors and when New York opened, the shares ticked back in London to close unchanged

Mr Robin Campbell of CSFB
The company yesterday conbelieves investors should be firmed that its Australian sub-Mr Robin Campbell of CSFB more concerned over Glaxo's dependence on its ulcer drug threatened in the US by the arrival of cheaper rival products. He believes the loss of Zantac sales could wipe £400m a year from Glaxo's total turnover by 1995.

Potential sellers of pharmaceuticals stocks, which are already unsettled by worries

NEW HIGHS AND LOWS FOR 1993

NEW HIGH'S (17/L)
AMERICANS (1) Lower's, CANADRANS (4) Car.
Pacific, Gulf Carada, Hawter Siddley Carada,
Hustan's Bey, BANGS (2) Bt. Scotland, Natl.
Australia, BREMERS (1) Wetherspoon (JD,
HUSD) MATLS (6) Brt. Dredding, Hermison,
Hoyseoot Williams, Libonal, Procests, Polysipa,
PMC, Travis Paridins, Wolersin, Broomst, Polysipa,
PMC, Travis Paridins, Wolersin, Bussels
SERN'S (4) Automated Sca., Carstel, Hutch,
Whith, Becariquent, Cristals (9) BTP, Poresir,
COMECOREANTER (9) AGA, Carron Sc.,
Jardins, Trateligar Hea., Do A, CONTO &
CONSTRUER (8) Barcon, Chres Nicholson,
Cussins, Glescen (JAJ), Molysine (A), Try,
ELCTFECALS (1) Christy, ELECTFONICS
(1) Molyan, EMB 9234 (9) Haden MacLallon,
Sylane, Vooper Thomycort, HEALTH &
HEBNOLD (2) Regim, Specialswa, HOTELS
3 ALER (1) Pethine Boate, 82054 CoMSPORTE
(1) Domestic 6 General, MY TRUSTIS (26)
Abstorth Smit, Con, Do Was, Baszlein Inv.,
Do Vita, CST Emerging Asia, Crins & Eastern,
City of Oxford, Darby Cacidal, Drayon Fire East,
Futurus Zero PJ., Gartmore Anne. Zero PJ.,
Gartmore Value Zero PJ., Gowell Criental,
Graberne Firhoul, Maincon Fund, Mezzanina
Cop., Pacific Nessels, Do Wits, Pleas & Merc.
Smitz Co. Do Wits, Pleas & Merc. Tst., Wh.,
Smaller Co's, Do Wes, Secotland, Polyan Fire East,
Pulyor Nelson, Telegraph, Liber V, WPP,
MESICHANT BANGS (3) Cross Bras., Nelson Cartings, Calvittite Steps Cv. (10)-01, Cook Myr., MISS (6) Anies, Blackiand, Crossroada,
Monument, Villera, O'THER FIRGL, (6) Ballid.
Zero PT., Thropery, MEDIA (6) Bras., Nelson Cartings, Calvittite Steps Cv. (10)-01, Cook Myr.,
MISS (6) Anies, Blackiand, Crossroada,
Monument, Villera, O'THER FIRGL, (6) Ballid.
Zero PT., Shenochaste, Polyana, Blackiand, Crossroada,
Monument, Villera, O'THER FIRGL, (6) Ballid.
Zero PT., Shenochaste, Polyana, Miss Co.,
PRESTTO (8) Firmo-Gazzie, Jurie Porter, Repola,
PRISTTO (8) Firm

over US bealthcare reforms, needed little further encouragement. Any bopes that Zeneca might stage a recovery yesterday from recent weak-ness were dashed as analysts and marketmakers began to express increasing concern about next week's rights issue.

Burton Cathle & Vilne † Cathley & Vilne † Cathley & Standardon Cathley Consust †

The Zeneca rights price of 600p a share contains a hefty 27.5p dividend but if the exrights price falls below 600p there is every possibility that a large amount of the shares offered will be left with the underwriters. Any take-up of less than 80 per cent would result in a significant drag on the stock and the sector. Zeneca ex-rights fell 3 to 622p while the nil-paid lost 5 to 30p. ICI 'new' eased 2 to 622p and the existing ICI slid 3 to 1260p.

BTR wanted

Broker support for BTR the industrial holding company, after the amnouncement of a Chinese bottling plant deal, pushed the shares up.

sidiary BTR Nylex had comcontainer plants in Guangzhou and Shanghai.

Following the announcement, Hoare Govett, broker to BTR Nylex, published a buy recommendation. Mr David Ireland, who travelled in China with BTR's chief executive Mr Alan Jackson, predicted sales of A\$500m a year within five years as a result of the deal. He said China was the third largest beer drinking country in the world after the US and Germany and yet the per capita intake was only 7 litres a year compared with 140 in Germany. BTR shares closed 4 higher at 596p.

Argyll strong

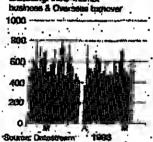
A surge in Argyll Group ahead of full-year results today saw the shares close 15% ahead at 317p in good volume of 4.4m. Results are expected to reach the top end of analysts forecasts, of £405m to £420m, with positive news also anticipated on current trading. Argyll recently launched a price cut-

ting programme.
The shares have generally lagged behind the rest of the food retail sector, which has itself been under a cloud as some brokers have grown fearful of the impact of food discounters. In addition, recent figures from J. Sainsbury underlined for some critics tha maturity of the market and pointed to only slow growth at best in the near-term. Sains-bury shares were also strong yesterday, gaining 2 to 468p after going ex-dividend.

Some stability returned to Burmah Castrol as the market made a belated response to news late last Friday that two of the company's directors had bought additional shares in the

company. Burmah shares fell over four per cent last week as the market focused on a severe profits warning by Brent Chemicals. Yesterday, Burmah Castrol

Equity Shares Traded



stock edged up 3 to 691p, albeit

in relatively thin turnover. Mr Brian Hardy, Burmah's finance director, bought 1,000 shares at 689p and Mr J.M. Fry, 5,000 shares at 688p.

Leading oil shares were disappointing, according to dealers, as the market continued to worry about the forthcoming Opec meeting, scheduled for June 8. But NatWest Securities said two of the three key fac-tors which drive the sector "looked quite promising". .

NatWest saw a good chance of oil prices firming after the Opec meeting, "perhaps towards \$20 a barrel, amid fears of plans for higher energy taxes in the US and Europe and a seasonal pick up in oil demand". The broker also pointed to higher world refining margins, currently at \$3.58 a barrel, compared with the \$2.79 achieved in the first quar-

NatWest maintained its posttive stance on BP, describing the shares as "still the best recovery story", but said the market was still over-optimis-tic about Shell. BP eased to 307p while Shell edged up 3 to

Second-line oils attracted interest, especially Clyde which rose 2½ to 50p after 750,000 shares changed hands. British Steel was one of the market's most active stocks

with some 7.7m shares were

The chares burst through the 100p barrier for the first time since November 1991 and

The company, scheduled to report preliminary results

British Steel shares have The stock has been bolstere

Renters Holdings gained 17

has a big exposure in the US, oup is to issue

weaknese. Doubts hanging over the stock were cleared last week when BA announced a rights issue after months of speculation.

FINANCIAL TIMES EQUITY INDICES Many 24 May 21 May 20 May 19 May 18 ago "High "Low

Ordinary store	2193.6 4.26	2187.4 4.25			BLZ 2	2215.5 4.21	2135.4 4.34	2298.5 4.52	2124.7
Ord. div. yield	6.14	6.13			.16	8.05	6.38	6.33	5.79
Caroling yet % full	20.04	20.05	20.0			20.24	19.59	22.04	19.40
P/E radio net P/E radio nil	16.70	18.71				18.80	18.17	20.30	16.14
Cold Mines	200.3	185.3	178			185.5	100.9	200.3	60.0
for 1985. Ordinary									
			12/3/	₩.					
Ordinary Share hou	ومعداء راء	100	1254 1256	13.00	14.00	15.00	15.00	-	L
Ordinary Share how Open 9.00	ومعداء راء	pes 11.00 1	2.04	13,90			18.00 2192.8		
Open 9.00 2187.9 2182.2	dy chang 19.00	11.06 1 11.05 1	2.04	13.90 2184.0			2192.8	2222.5	2180.
Open 9.00 2187.9 2182.2 2	tly chang 18.00 : 2188.0 :2	11.00 1 11.00 1 1153.2 2	12.00 182.5	13.90 2184.0	2183.7	2184.3	2192.8 May 28,5	2222.5 18 1	2180.0 (m. ego 29,837
Ordinary Share hos Open 9.00 2187.9 2182.2 (Volume SEAQ Burgains	19.00 1 2188.0 2 May 28,7	11.09 1 11.09 1 1183.2 2 24 1	12,00 182,5 May 21	13.90 2184.0 May	2183.7 20	2184.3 May 19	2192.8 May 28.5 124	2222.5 15 1 95 6.4	29,837 879.7
Ordinary Shara hou Open 9.00 2187.9 2182.2 (University Designates Spally Terrores(Det)	19.00 1 2188.0 2 May 28,7	11.09 1 11.09 1 1183.2 2 24 1	12.06 182.5 May 21 33,158	13.90 2184.0 May 25,	2183.7 20 20	2184.3 May 19 28,438	2192.8 May 28,1 124	2222.5 15 1 95 6.4	2180.0 29.837 879.7 33,683
-	19.00 19.00 2188.0 28.7 28.7	11.00 1 11.00 1 11.03.2 2 24 1	182.5 May 21 33,158 1434.5	13.00 2184.0 May 25, 103	2183.7 20 241 86.1	2184.3 May 11 28,438 1327.7	2192.8 May 28,1 124	2222.5 15 1 95 6.4 55	2180.0 29,837 879.7

London report and lidest Share index Tel. (891 123001. Calts charged at 35p/in/rule cheep rate. 48p at all other times.

EQUITY FUTURES AND OPTIONS TRADING

OPTIONS trading in British Steel was the highlight of a dull day in the derivatives market yesterday, writes

Christopher Price. Over 7,000 contracts were dealt in the steel maker, equivalent to 7m shares in the equity market. Dealers said the institutions involved were bedging on Steel's recovery potential, a fact highlighted by

a number of brokers in recent weeks. The trades included 1,000 of the July calls at 8.5p and 2,000 of the October 110 calls at 7½p.

Among other stock options, other former nationalised industries also held sway, with 1,425 British Gas contracts being dealt, followed by 1,255 in British Airways. These were trailed by Lucas Industries,

Land Securities recorded 678. However, the day'e overall total of 23,887 was well down on Friday. The FT-SE contract reached 5,686 contracts.

In the futures market, the June contract opened weakly at 2,810, drifting down fairly smartly to the day's low of 2,802. Buyers were then seen and the contract perked up,

which traded 1,038, while although trading continued in a tight band and low volume. Dealers said there was little for the market to focus on although the afternoon se was a little liveller on the back of French rate cuts and a slightly stronger Wall Street. June closed at 2,834, about 4 points over its fair value level of around 5.5. Volume was a

lowly 5.059 contracts.

ket that there was a deficit of traded during the session shareholders' funds on March 311992 of £31.9m and that restructuring talks were still

closed a net 31/4 higher at 102%p, with dealers citing last week's news of the closure of several steel plants in Germany as the main reason for the upturn in the stock. Steel was also the most beavily traded stock option where the equivalent of more than 7m shares changed hands.

towards the end of next month, is in its "closed season", and therefore unable to disclose information to the market.

staged a remarkable recovery since reaching their all-time low of 46%p last November. by a series of European steel price increases, with more expected in the autumn.

to 1310p as further strength in the New York market helped internationally traded stocks. BAT Industries, which also

rose 8 to 845p. The tobacco and

insurance group is to issue
over 1.5bn new shares as a
result of its planned capitalisation issue and its enhanced
scrip alternative proposal.

A profits downgrading
depressed Lloyds Bank which
closed 5 off at 538p on relatively good turnover of 3.2m.
NatWest, reflecting the successful cash raising in the US,
via the issue of \$250m preference shares, edged up 2 to

145,001,002,003

146,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,003,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

150,004

1

475p.
The latest burst of strength in the Hong Kong market trig-

in the Hong Kong market triggered renewed buying of HSBC, which moved up 10 to 615p.

TSB improved 2 more to 185p with dealers still talking about the likely sale of the bank'e HIII Samuel arm.

British Always rose 10% to 32000.

British Airways rose 10% to 307%p ex-rights after recent

Property group UK Land was forced for the second time this year to issue a statement saving it knew of no reason why its shares had risen. They closed 9 up at 37p. In February, UK Land responded to a 4p rise to 30p by reminding the mar-

The Chart Seminar - Presented by Dovid Faties - 18th year 1 & 2 July Collidate Farquitation replember for 071-457-4951 Copenhagen 1 & 2 July tuxembourg 2 & 3 September 7 & 8 October Fox 071-429 4986 a RMERA Member

AOPTIONS TRADERS BERKELEY FUTURES LIMITED ST DOVER STREET, LONDON WIX SEB TEL OUT 629 1128 PAT-011 495 0022

TAX-FREE® SPECULATION IN FUTURES

To chain your fice Guide to how your Planachi, Boolansier out help you, call bishnet biscop or ins Josian ou 871-828 7253 or write in mr IG Index Fic, 9-1 i Growester Guidens, London SW1W 680. Currency Fax - FREE 2 week trial ark Anne White; Tel: 871-734 7174

Fax: 071-439 4986 exchange rate specialists for over 20 years FX and GOLD

24 HR DEALING

MEMBER SFA

Call now for further information

CAL Futures Ltd 162 Queen
Victoria Street
London ECAV 4BS
Tel: 071-329 3030
Fax: 071-329 3918

NO MORE DANCING! SATQUOTED - Your single service for real time quotes. Futures * Options * Stocks * Forex * News * Via Satellite LONDON +71 329 3377 NEW YORK +212 2696636 FRANKFURT +4969 440071



2825.6 +13.4 1397.91 +5.28 wheld % 2619.7 3149.0 1406.9 1603.16 1614.00 6.42 6.94 6.31 4.53 5.01 6.20 FT-SE 180 FT-SE 1864 250 2816.8 2612.2 3180.1 1406.9 1605.44 5165.1 1405.8 1607.88 FT-SE-A 360 FT-SE SmallCap FT-SE SmallCap on law Treets 1334.0 1016.87 1623.65 1620.28 1362.63 FT-A ALL-SHARE 965.05 1100.32 2 Building Materials 3 Contracting, Const 4 Bectricals(15) 1087.39 989.92 2900.67 2885.40 389.15 583.53 422.98 390.03 2021.96 985.30 2913.66 968.07 2916.21 1054.29 2758.50 6 Engineering-Aerospac 7 Engineering-Generalif 8 Metalis 6, Metali Form 9 Motors (18) 401.59 567.21 374.79 401.55 42122 19 Other Industrials(18) 1620.93 1800.90 1274.66 1633.37 1842.82 1295.99 21 CORSUMER GROUP(234) 22 Brawers and Distillant 1734.42 2234.06 1294.15 1278.49 26 Food Retailing(18) 27 Hosten & Household(29) 29 Hotels and Lelsore(20) 30 Media(32) 2882,18 3624,46 1256,51 1902,92 4161.31 1281.30 1940.59 1264.76 1931.80 31 Packaging and Paper(24) 34 Starre(39) +0.3 +0.2 -0.5 838.20 837.27 835.06 35 Textses(20) 796.89 798.98 804.20 753.23 1490.08 1583.27 1355.00 1505.75 AN OTHER CRIMBONAS 1470.50 +0.4 146423 1462.57 -05 1498.45 1437.96 2958.87 1457.87 1405.05 1494.54 1589.61 2847.34 1677,47 2788.86 1323.00 44 Transport 169 2911.93 2883.14 19.85 1701,71 3340,63 2224,18 1701.80 1716.04 1505.86 3328,36 2915.00 2204.31 2140.17 42.81 40 MIDUSTRIAL CRO +0.4 1422.12 1421.48 1425.11 1414.63 3.90 17.91 2126.10 1519.11 +0.4 1513.81 1517.19 1483.81 6.75 18.31 21.88 1017.76 1078.41 1016.05 1005.19 797.45 4.02 20.19 1365.71 1010.32 27.50 1984.42 625.70 1980.38 629.53 778.70 heurance (Lite)(6) 1995.63 1992.00 623.94 -0.3 -----0.5 827.03 996.81 521.86 729.56 271.22 783.62 671.86 686.82 825.61 361.85 671,70 Property(22) Other Financial(23) 874.31 359.22 853.47 381.77 670.23 358.63 6.53 4.17 71 Investment Transp108 1465.66 99 FT-A ALL-SHARE/804

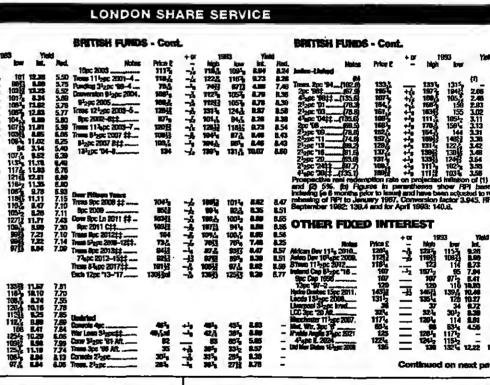
FT-SE MED 250

3168.4 +3.3

FT-SE Actuaries Share Indices

FT-SE 100

Hourty	mon	ement	*									
		Open	5.00	10.00	11.00	12.00	13.00	14.00	15.00	16.19	High/day	Legy/day
FT-6E 100		2812.4	2905.8	2813.0	2809.9	2809.1	2800.5	2810.4	2811.4	2825.3	2825.6	2904.3
FT-SE Mid	250	31617	3160.8	3182.B	3164.8	3165.0	3165.4	3165.7	3185.2	3168.2	3168.5	31573
FT-65-A 35	8	1405.3	1402.7	1405.7	1404.7	1404.4	1404.6	1405.0	1405.3	1411.6	1411.1	1402.1
Time of FT-	SE 100 big	t: 16£1 ; l	OW: 08:49									
FT-SE	Actua	ries :	350 ln	dustry	Baske	ts					Previous	
1	Open	9.69	10.00	11.80	12.00	13.00	14.08	15.00	16.10	Close	Chome	dimp
Constran	1990.8	1929.1	1930.2	1930.2	1930.2	1930.2	1930.2	1930.5	1929.9	1929.9	1940.3	-10.4
Booth & H	1086.9	1080.3	1084.9	10845	1084.3	1083.7	1082.5	1082.1	1085.8	1085.8	1081.8	+4.0



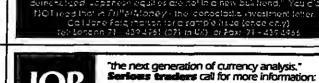


An eight year track record of successful forex torocasting daily.

Commentaries, forecasts, recommendations & charts ies, forecasts, recommendation from London and New York.

THE BEST INFORMATION IN YOUR HAND Futures Pager delivers constant updates on currencies, futures, indices, interes rates and commodities 24 hours a day, with prices and news both direct from Reuters. Why try and do without it? Call 071-895 9400 for your FREE trial.

FUTURES PAGER Market Myths and Duff Forecasts for 1993 der US at the simple higher, precises molets have been dementated apparent egaltes are not in a new builtend." You o'd the College Harris of the conociation avestment latter. College Fact thanks is re-sample little (ende only) tell-forance 21—439-4961 (27) in Us), at Fax: 71—439-4965



TTT 76 Nunnery Lane, York YO2 tAJ TEL: 0904-636407 FAX: 0904-612720 GOLD COIN DEMLING SERVICE ALL COMES HOUSEN - SOLD CALL MAN FOR THE LATEST PRICES OF PURITIES. MICHIGANICS



GAG

MINCHESTER HOUSE, 77 LONDON NVLL LONDON ES TIQLET-) OR FADE TO SE SUF TELECHNISSE PORECE DECHNISE & HOUR LONDON DESK DIRECT ACCESS TO EXPERIENCE DEALERS DOLLARAND CROSS RATE CORRECTES CALL NOW FOR FURTHER INFORMATION & BROCH

MVESTMENT OF

The state of the s

HOTELS & LEISURE - Cont. **AMERICANS** Hotes
Pearing Sur Ridge &C.
Warrando
Warrando
Warrando
Pearing Red Est. &C.
Reming Red Est. &C.
Zano Div Pf.
Reming Ist High. &K.
Zano Div Pf.
Reming Ist High. &K.
Reming Ist High. | 1930 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | 1940 | Mikt Capen 229.1 3.08 12.2 0.83 252.5 1,826 | Capon | Capo Price 225 29 41 ½ 33 115 #692472520414441324674002525252776745288B514427767232557741324614523305584 25 26 44 28 117 553 168 29 11¹2 25 78 533 +12 21.6 AS INT.

A SIMO.

B. 1 Maylouer | 0 | 12.3 Megarer | 0 | 12.3 Meg **BUSINESS SERVICES** 66: 2 67: 2 5.6 5.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6.6 6.6 7.1 6. 76 BF 6 238 F 7 6 23 #458955751844138521511845884571452218458955751841385258457158525845714571144138594345145859916101774 | Add 2.7 Femilog (**ses. **)
2.3 Femilog (**ses. **)
4.3 Foreign & Col. ** Col.
4.7 For & Col. Ent. ** Col.
4.5 For & Col. U.S. Sept. ** Col.
4.5 Foreign Ent. ** Col.
4.5 Foreign Ent 4.5 70.5 0.5 0.5 20.5 10.5 2.5 107.1 2.1 1.7 136.4 13 4.4 30.4 13.2 4.4 30.4 13.2 4.7 16.5 Minuto Elect V

Motoronics. 148
Sony V

Filtoronics V

Filtoronics V

Toronics V

Unidan ic. 1 Sattoner Ein Pac 2
Winnasts
Gartinate Euro ... \$CI
Winnasts
Gartinate Euro ... \$CI
Winnasts
Cap ... \$MI
Sacpord Pf ... \$MI
Cap ... \$MI **INSURANCE BROKERS** Tag Am & Aer \$

Tag Am & Aer \$

Tag Am & Aer \$

Tag Am An Aer \$

Tag Am An Aer \$

Service Am Aer \$

Tag Ae MY CASE 653.50 10.9 11.5 20.9 6 17.5 20.9 17.5 * 12 | 177 | 1 | 2 | N. t. 155% 605 133 116 293 163 253 164 253 256 171 131₂ Price 332 476 489 526 489 341 31012 502 472 538 499 613 Rolle & Halam 1
Salvesta (G) 11
Salvesta (G) 11
Salvesta (G) 11
Salvesta (G) 11
Select Appts 2
Securiosard 4
Securiosard 4
Securiosard 4
Securiosard 5
Securiosard 6
Securiosard 6
Securiosard 7
Secur FOOD MANUFACTURING CANADIANS + # 7993 -11/2 +1 ### 199 | Notes |
176 | Amino 3 Hold |
155 255 30°2 515 147 143 4286 3.287 2,722 7,006 500,6 2,973 3.481 18,5 471,1 100,4 4,562 1,582 1,439 401,1 4,560 29,7 21,633 Price S 2p 1492p 1314 12110 775p 2114 2p 1584p 1685p 297p 1412p 1685p 297p 1412p 1685p 297p 1412p 1453p 1453 INSURANCE COMPOSITE 23 Mag 24 Caption 2264, 2,777 2776 16,322 21774, 4,296 2771, 17,260 2222, 2,170 Yd G75 49 85 35 04 CHEMICALS PE ELECTRONICS MC Cache Cac 561 13-22 28 27-5 566 177 226 530 226 210-2 226 210-2 107-3 107-5 ARD F

4. Alled Collector #1 T

2. Alled Collector #1 T

2. Back Date

4. Alled Collector #1 T

2. Back Date

4. Back Date

5. Back Date

5. Back Date

6. Back Date

6. Back Date

7. Corpe to

6. Control to

6. Contr 54 --15 25.5 --58 --49 14.7 33 11.0 11 --28 --5.5 --5.1 3,012 104,9 63,1 97,7 2,547 1,534 177,6 3,649 1,600 834,8 2,936 107,6 2,536 107,6 2,536 107,6 2,536 107,6 2,536 2,536 **经通讯公司的不知应证券通讯与非常证明是**的通过的电影通讯的基础之初中共享通过与示范的共享的表现的是是的对象的现在分词 inca Nava Guro Ameria . Ris Alasta Algert af SA Can Cord ano-Cort USS Optimum K
Zero Div P7
18 S UK Soft Co's C
Warrants
Independent C
Warrants \$P\$ 22.25.51 (1) 43 (1) 10 (7) 44 (4) 43 (4) 45 (4 1.3 69.2 30.3
6.1 127.6 2.1
1.26.7 69.4
11.6
42.1 39.5
43.76.2 36.7
1.3 22.2 15.7
4.8 521.8 19.7
1.5 30.7 5.2 5.6
105.4 2.3
11.2 67.5 2.6
105.4 2.3
11.2 67.5 2.6
105.4 2.3
11.3 32.3 -2.7
106.1 2.4
4.8 52.7 -40.9 1 13.7
106.1 2.4
4.8 52.7 -116.4 13.7
4.4 105.2 4.5
14.8 BANKS CARACTER AND THE CONTROL OF THE CARACTER AND THE CARACTER FOR STANCE OF THE STANCE OF TH FIGURE STREET, CDD - EUTO - K
WATARES - Zero Dir PT
Keystune - K
Keystun INSURANCE LIFE Action Services of the Control of th 184 Caperi 917.1 571.3 2,289 2,081 2,825 403.4 5,957 5,957 5,957 5,957 5,957 5,957 5,957 5,957 7:02 1456 190 466 274 2515 420 336 3185 7036 274 97 723 1475 203 493 1026 542 465 368 362 1138 288 95 773 1078 156 408 156 403 274 403 274 800 274 800 275 800 2 1 Label : 1321 21 ₹. INVESTMENT TRUSTS 14.8 103.5 30.9 - 75.2 28.6 4.4 89.9 11.5 4.7 232.7 34.0 4.3 250.9 2.5 24.3 - 2674.8 20.5 17.6 FOOD RETAILING 2,028 342.5 9,48 3,550 23.9 12.9 23.5,7 63.2 4,71 1,78.4 65.3 279.9 281.1 表式と対象と2番の10mm laugerefingens Authorized by the Internal Section Scale Section Scale Section 38 145.1 -7.8 12.5 224.3 37.8 47 234.4 5.1 0.4 179.3 6.0 CONGLOMERATES 34 | La la | 1 1 2 1 1 24 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 | 1444 151 640 640 1423 1636 1,715 330 7,11 1059 BREEFER SERVE CINCELLOS SERVICES 53.9 75.7 106.6 8.4 68.1 22.5 64.7 52.1 65.7 14.4 -14 0.5 728 167 12 1168 7.9 17.5 941 65 •5 -16 483 -2 759 -4 2 853 -2 759 -4 2 853 -1 174 -38 177.1 -4.6

182.2

549.9

18.1

35 205.0

8.4

52.3

52.4

51.3

61.401.6

5.6

6.1401.6

5.6

6.85171.8

6.6

4.7

146.8

2.7

146.8

2.7

146.8

2.7

146.8

12.7

146.8

12.7

146.8

12.7

146.8

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146.9

146. A Supple Confidence of the Con 54.7 553.0 2.20 1.05.2 17.6 14.9 1.125 125.5 121.8 42.3 4.176 23.7 112.3 4.176 23.3 118.9 BREWERS & DISTILLERS Check Committee Carlo Committe | Simple Display | Simple | Si \$. إن أعشر | | | | | إن أنطف أند | | أجد لحفيد أم ألم أمدة أدختم | أأد أحد أأأةم أ ASC. Capen 415.4 ST.1.1 ST. Capen 415.4 ST.1.1 たが 46133 444 (481) 2544 (481) 2 **ENGINEERING-AEROSPACE** Mix Cuper 18.5 1,222 272.7 195.7 206.2 21.6 21.6 1,404 1,636 2,56 160.9 Yd Gr5 5.7 2.7 3.4 5.7 4.3 4.0 6.0 3.1 P/E 8.8 17.6 10.2 20.3 140 165 173 185 173 180 141 199 221 121 2105-1-22105-1 Abrighton
Anglan Grp. Wild
Arrests. RC |
BRUSS RC |
BRUSS RC |
BRUSS RC |
Breggeridge |
Blockfoyer |
Bredder |
Fraction |
Brit Richings |
CRI II |
Calcionred Rob A. Cape |
Broth C |
Cape |
CRI II |
Calcionred Rob A. Cape |
Brit Richings |
CRI II |
Calcionred Rob A. Cape |
Brit Richings |
CRI II |
Calcionred Rob A. Cape |
Brit Richings |
CRI II |
Calcionred Rob A. Cape |
Brit Richings |
CRI II |
Calcionred Rob A. Cape |
Brit Richings |
Cape |
Cri II |
Calcionred Rob A. Cape |
Brit Richings |
Cape |
Cap 798 100 12 12 100 12 12 100 12 12 100 12 12 100 12 12 100 12 12 100 12 12 100 12 11 12 100 12 11 | 1945|| 1980|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 1750|| 25 824 17.1
60 615 22.1
11.6 615 22.1
11.6 615 22.1
11.6 615 22.1
11.6 615 22.1
12.5 1623 1635
12.7 1623 22.3
12.9 80.4 1.7
12.3 3543 19.6
04 3333 -1.7
0.5 40.0 10.1
2.1 181.6 22.5
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 185.8 27.3
1.1 1 HOTELS & LEISURE Price 1855 54 475 75 12 4 475 12 5 182 5 182 7 5 12 2 3 9 12 2 2 3 9 12 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2

LONDON SHARE SERVICE

28

هكدامن الدُصل

FINANCIAL TIMES TUESDAY MAY 25 1993 LONDON SHARE SERVICE INVESTMENT TRUSTS - Cont. ## PROPRIETALS & MEETAL FORMANG

| 1908 | Market | 1908 | Mar 1893 | 1893 | 1893 | 1894 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 1895 | 18 + or 19:
- Mon
+5 445-2
+19 780
+1-2 2189-2
-- 239-2
-- 239-2
-- 388
-- 385
-- 434 PVE
- Bow Valley 6 .
- Brubent .
- Bruben M91 Captim 25,548 7,982 1343 5,800 30.5 481.4 937.1 4,215 | Colon | Colo Frior 413 724 5178 6264 920 930 595 480 415 12 105 44 84 16 71 16 56 2.63 15.7 3.94 2.5 2.77 6.7 76.8 -16 168 42 62 Ξ inter the property of the prop inv Capton 6
34 15.0
34 15.0
34 15.0
34 2.05
35 2.06
35 2.06
35 2.06
35 2.06
35 2.06
35 2.06
35 2.06
35 2.06
35 2.06
36 2.06
36 2.06
36 2.06
37 3.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
38 2.06
3 PROPERTY 36 187 25¹4 116 542 187 16 151¹2 125 178 Birner Birkhy Black Arrow Black (F) Black Toys OTHER FINANCIAL INVESTMENT COMPANIES Fine 1989 37 65 1 56 1 57 65 1 58 4 4 55 109 1 57 6 1723 65 51 4723 65 51 | No. 18 Mat Captin 348 7778.8 485 9,752 3,784 483,772 2,684 129, 22 263 136 81,552 44 121, 224 765 129, 843,2 129 124, 843,2 129 124, 843,2 129 124, 843,2 147 27,0 147 119, 244 491,4 149,4 14 Price 418 574 418 574 418 574 150 574 150 574 150 574 150 575 17 | 17 | 17 2.29 17.1 48.1 6.5 246.7 23.8 16-2 1.5 25 --- 48 270 --- 270 69 --- 56 161 --- 161 125 44 163 13.0 11.6 3.4 136 151.6
6 16.8
6 16.8
170 22.1
120 26.8
1312 26.8
1312 26.8
1312 26.8
111 30.4
118 14.7
139 24.4
116 37.3
16 37.3
16 37.3
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
17 3.6
18 46.5
18 46.6
18 47.4
51 2.6
18 47.4
51 2.6
18 47.4
51 2.6
18 47.4
51 2.6
18 47.4
51 2.6
18 47.4
51 2.6
18 47.4
51 2.6
18 47.4
51 2.6
18 47.4
51 2.6
18 47.4
51 2.6
51 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 1.7
51 61 Tiphnok \$70000 \$1 175 4536 236 2372 378 237 371 80 12 648 139 42 721 372 39 1409 844 106 164 1442 67 41 624 342 645 544 1.60 5.63 6.97 11.24 6.602 3.06 3.1 3.5 3.5 3.5 2.2 2.2 2.2 1.1 388 325 236 236 170 246 17 255 47 83 425 115 39 524 30 126 138 994.6 9,954 11.9 20.8 3.84 184.2 945.2 54.0 54.0 54.0 290.4 74.3 1,281 143.4 55.9 25.4 3,78.2 1993 high | 553 | 266 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | Angilan
Brişkil Water
15.4 Clean A
8 NV
Bast Sunry
Bast Price 489 935 259 243 333 305 481 590 482 487 506 503 552 572 518 MEDIA | Mode | Capital 1993 | 1993 | 1993 | 1994 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 19 10 Med 100 Med **SOUTH AFRICANS** + 9 Capen 680.6 1,291 8.06 3.54 75.3 1,414 4,335 681.3 239.4 713 58 139 149 27 62 34 27 Price 19¹2 65¹s 76 60 75 250 619 6884d 298 Spo Cr 2001 MI
Angita IV MI
Angita IV MI
Angita IV MI
BBB Design MI
BBB Design MI
BBH 1943年 1945年 MOTORS **PLANTATIONS** 1983 bigh low 28¹₂ 35 78 83 58 42 46 39 30 26 87 17 48 42 | Sec Rubberz, Palen 38
Anglo-East. \$
Borton. \$
Borton. \$
Golden Hope 185
Highlands MS. Golden Hope 185
Highlands MS. Rada Keyong MS. Browe Easne. 10.5 10.5 18.6 324.5 472.5 114.3 365.9 15.5 Price 27 41 45 46 38 17 | | | | | | | Flexibition | Fl Whell blead on
 stresshed dividend
 Figures based on
 proposition or other
 collicial estimates.
 Assumed dividend
 Plat yield.
 Yet yield dividend
 yeld after rights base.
 Assumed dividend
 yeld after step base.
 a Hights sause pending
 professional dividend
 professional dividend
 professional dividend
 professional dividend
 professional dividend
 yeld, ple ratio based on
 professional dividend
 yeld, ple ratio based on
 professional dividend
 yeld, ple ratio based on
 yeld, ple based on
 yeld, ple based on
 As profession year's carriers v Not autject to ALT.

v Not autject to ALT.

v Not autject to ALT.

v Nota autject to ALT.

v Nota autject payma

E Audies a special payma

F yield based on

prespectus or other

rights insue.

If Yield based on

prospectus or other

ciffical estimates for

1993

8 Yield based on

prospectus or other

ciffical estimates for

1993

1 Stell based on

prospectus or other

ciffical estimates for

1 1992

1 3 Yield based on

I brospectus or other

ciffical estimates for

1 1992

1 Stell based on

I brospectus or other

ciffical estimates or other

ciffical selections for

1 1993

1 Stell based on

I prospectus or other

ciffical selections for

1 Stell based on

I prospectus or other

ciffical selections for

1 Stell based on

I prospectus or other cificial cultimates for 1932-94.

2 8 Figures based on ISM, Teachine Earnings' circle proposale.

P Figures based on prospectus or other official enfounces for 1954.

R Forecast sumusificed pints, pro based on prospectus or other statements.

Z Distance yield to date. 12.0 43.4 316.1 2.55 +62 +11 +27 1993 bigh low 617 128 261 34 517 185 69 45 517 261 517 65 PACKAGING, PAPER & PRINTING 1 188 62 719 145 788 90 29 757 8¹/₂ 18 62 16 47 49 832 25 4 323 0.24 6.74 12.3 83.5 54.2 16.8 142.2 14.4 1.81 1 41 138 89 719 145 780 89 20 782 132 +1 111 +18 4 | 15 27.4 8.4 77.8 8.8 131.4 4.8 32.4 - 1 1,766 36 384.7 30 488.2 ‡ 1,132 21 11.8 7.2 412.7 3.8 11.8 7.2 412.7 4.6 82.6 - 481.5 3.6 82.0 ‡ 714 780 132 £1 867 467 418 843 152 205 £17% 89 114 719 132 41 417 418 613 182 917 285 917 10 33 233 37¹2 7 388 117 87 319 54¹k 18 28 25²k 16 1993 Nigh 1874 9 19 15 34 2 51 2 2947 2 46 19 1872 25.9 21.3 Notes
21.3 Notes
11.5 Aberdeon Palimy+1
15.2 Affinore Res
16.0 Aminos III.
Assa Exercy 4
Aron Intil
26.2 Alisate Richilde
5.4 Away Palim.

Bjeckland 3
Beeckland 4
Beeckland 5 MRt 260 1,53 1,98 94,6 30,7 2,466 17,2 0,96 Prices 17¹4 9¹2⁸ 18 33¹2 53 53 53 60 6¹1 252 772 40 309 45 86 85 190 72 36 5 54 18

Surface Life Too Marrie Li

Section 1

OLER UK UNIT TRU

ET MANAGED

FT Cityline Unit Trust Prince are a	raliable over the telephone. Call the FT City		MANAGED F
AUTHORISED	leit Com; Mr. City Leit Com; Mr. City + or Yel Carga Price Price Price - Gry		
UNIT TRUSTS	Brown Shipley & Co Ltd (1000)F 9-17 Paryreager Fel Nationals Hit 0444 412202 kingd Priote Inc. 6 92.15 42.10 98.14 40.84 20.3 kingd Priote Acc. 6 1744 1, 1741 1, 1855 1,323	Discretionary Unit Fund Mingrs (1000)F UK Whos Street, Looky Ecza 28. 67 – 377 951 One ice May 21 — 0 181.4 701.4ml 490 3 — 3.4 00 Access May 21 — 3 830.9 303.5ml 303.1 — 3.4	Gartmore Fund Managers - Contd.
toel Compo Price Price Price - Co	** Corpers inc	Dunedin Unit Tat Moors Ltd (1200)H	UK Equity Income - 54, 125,03, 125,00, 133,721-0.17 (3,99)
ATB Unit Trust Managers Limited (1000) 51 Balance Rd, Uchridge, Micks UBB 1767 (1985 2897) AB Cound American 5 152,1 150,5 161,7 +63,0 10,1 AB Extract Equity - 5 255,2 255,20 277,2 -0.50 [2	1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Emotocus Geriti 5 198.9 190.0 21.2 1.5 1.7 198.9 498.4 Apr. 198.0 21.2 1.5 1.7 20.8 198.0 498.7	Secretaria Sec
and Control American, 5, 1821, 1825, 1827, 4820, ASS Control American, 5, 1821, 1825, 1827, 4820, ASS Control Edges, 5, 1826, 1827, 4820, ASS Control Edges, 5, 1826, 1821, 1822, 4820, ASS Control Edges, 5, 1826, 1821, 1822, 4820, ASS Control Edges, 6, 1826,	Orbert E 61 124 4 124 4 134 6 14 90	Eagle Star Unit Magns Ltd (1000)F Bedi Roed, Cheltechen S.53 7/0 (242 577 55)	Euro Ski Opps 54 92.11 62.11 93.0 467 484 American Erroyog 54 74.42 79.43 85.14 155 0.00 Hong Kong 54 11420 115.78 13.18 1.10 1.85 Hong Kong 54 223.02 23.92 23.86 4.2810.00
AXA Equity 8. Law Unit Tet Mingra (1200)4 Body 8 Law Hen, Corp 9, Coventry 0001 5929 General Inc. 5 415.4 417.1 4435 4-44 [2, General Acc. 5 4557 457.0 466.5 4-0.0 [2, LE Growth Acc. 5 4557 457.0 466.5 4-0.0 [2, LE Growth Acc. 5 4557 457.0 467.1 2-4.0 [2, LE Growth Acc. 5 4557 457.0 457.4 4-0.1 [2,	7 Recovery 6 39.72 4 3 mi 4441 +0.33 2.52 10 Seculier Cos Acc	UK British Acc	Garteners Providers Stronger Providers Garteners Providers Stronger Providers Menagod Emity
Bauly & Law Hen, Corpn St, Oremstry (2005) 5522 (General Acc. 5 4 55.4 417.1 4435 44.6 44.6 44.6 44.6 44.6 44.6 44.6 44.	Brycourt Unit Tst Migrat Ltd (1400)F September, Protess Sc. WH (M. 071–055 6362 Neone Growth 1 106.0 190.5at 195.71 6.30 Buckmaster Mangent Co Ltd (0930)H 1535 Binishi Street, Unydon ECSA 7,11 071–247,542	UK Pref 8 F i Acc 8 96.71 96.71 102.6 8.85 105 506.71 102.6 8.85 105 506 515 Acc 6 47.16 47.10 90.17 +0.55 0.22 106 506 515 Acc 6 47.16 47.10 90.17 +0.55 0.22 106 506 515 Acc 6 47.16 47.10 90.17 +0.55 0.22 106 506 515 Acc 6 47.16 47.10 90.17 +0.55 0.22 106 506 515 Acc 6 47.16 47.10 90.17 +0.55 0.22 106 506 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 506 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 506 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 506 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 506 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc 6 47.16 47.16 90.17 +0.55 0.22 106 515 Acc	(C201000 nano
For East 0 23.4 25.4 45.7 19.2 4.2 5.1 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Oriental Opps Acc	Horogram 0 154.77 155.04 165.04 465.0
	Hagai Income Port 4 31 58.65 59.46 81.071+0.0114.88	American 5 109.7 109.7 1155 40.9 0.0 7.8 Committee 6 20.0 20.0 20.0 3.8 405.7 8 20.0 20.0 20.0 20.0 20.0 20.0 20.0 20	Interest Start Japan 0 141.16 143.04 140.04
Gits 6 Fixed tert	117 Foricharch St. Lendon 8034 54L 071-480 7216 Short Dahed GR 14 85.69 65.80 6658 5.83	Indi Income 54, 79.25 79.200 84.50 +0.07 0.00 1.01 Annual	Managed Emply 63 80.86 82.40 6765 48.24 -
American Growth 6 2798 279.0 299.3 4.8 Ason Pecific 6 223.3 277 225.4 4.8 Ason Pecific 6 223.3 277 225.4 4.8 Ason S Emmingo 6 3100 218.00 224.1 -0.1 2.4 Clocks Reserve Act 0 123.7 123.7 123.7 1.3 5 Control & Emergy 6 84.15 94.15 00.00 4.29 6 Control & Emergy 6 87.48 79.48 65.00 -0.42 2.9 6 105.3 105.3 12.5 40.4 4.8 6 105.3 12.5 40.4	0 PO Sox 105, Manchester M00 DAH 901-837 5080 0 Environ 6 130.3 133.2 141.0 1.71 1.71 1.75 1.75 1.75 1.75 1.75 1.75		Prod interest 601 65 71.40 71.50 73.10 -0.21 -
Euro Capital Inc	7 or 65 Fund Mings see Gily Financial UT Corneida Life Unit Tat Migra Lid (1200)F High St, Polices But Haris, 1986 88A 6707 65) 132 Cou Gen Olds	Consequence	Deposit
Action Profile. 0 52.5 5277 525.5 4.5 Action Profile. 0 52.5 5277 525.6 4.5 Action Profile. 0 52.5 5277 52.5 Action Profile. 0 52.5 52.5 52.7 Action Profile. 0 52.5 52.5 52.5 52.5 52.5 52.5 52.5 5	Top 0.5 Top	Den Spec. Stb	Do (Access) — 5-6 S-259 S-50.00 S-50.00 -6.01 2.59 Secretifies Philology — 5-6 S-254 S-30.00 S-50.00 -6.01 2.59 Secretifies Philology — 5-6 S-254 S-30.00 S-30.00 -6.01 -6.00 Do (Access) — 5-6 S-31.5 S-32.723 S-32.70 -6.70 4.50 Secretifies — 5-6 4.40.00 4.50.00 4.50.00 -6.10 4.50.00 -6.00
16 Chapter St, Edinbergh Etc) 7RA 031-220 973	3 Genera 53 43.10 43.59 40 C 40.02 2.84	Electric Ltd (1000); Content Ct, Knot Rise, Orphysics, SRS 0.JA 0589 70638 Electric Turst	Glentriers Unit Tst Mingrs Ltd (0905); 22 Suffer St Louder SWIY 45 School Systems 21 371 375 50 pp.
UK Small Cos	001-902 9078 Guneth 77 Guneth 77 43.10 43.29 4002 4002 12214 ncorne 55 42.67 33.39 57.10 464 42.58 bibliothic ferotion 75 53.44 18 40.15 40.15 40.10 10.00 bibliothic ferotion 75 53.44 18.47 84.50 10.00 Sarqueth 75 50 10 60 97.46 45.40 10.20 Sarqueth 75 50 10 60 97.46 45.40 17.20 Sarqueth 75 50 10 60 97.46 17.20 Sarqueth 75 50 10 60 97.40 17.20 Sarqueth 75 50 10 60 97	Endarance Fund Management Ltd (0905)F 41 Harington Gardens, London SW7 4JU 071-073 7251 Endarance Fd	GAM Sterling Mapagement Ltd
European Incomm. 544 78.16 75 16d 79.79 48.99 1.8 European Incomm. 594 42.37 42.49 48.20 7 5.5 European Economic 54 42.37 42.49 48.20 7 5.0 Face Transpictors 54 42.37 42.40 48.20 7 5.0 Face Transpictors 54 42.37 42.30 52.54 40.5 1.4 50.5 1.4	Cannon Lincoln Fd Ringes Ltd (1200)F (Formarty Cover Unit Treat Service Ltd) 1 Oyaque Stey, Westery IRS 019 061 902 978	Engelitables Unit Trust Managers Ltd (1900)F Nahor St. Aystober, Beck. H77 1701 (258 4.1140) Entgent 5 (210 200) (214 4.23 2.22 For Embro 5 (200) (242 2.22) (249 1.2	12 27 James 2 Figura, London 2797 077 - 423, 9990 080
Fund by 1st Acc 6 2002 22 76 377 8 -0.4 1, 11 June 7 - 1 200 2 1672 1673 1678 -1.3 10 June 7 - 1 200 2 1673 1674 178 178 178 178 178 178 178 178 178 178	001 902 9076 0005 200021	Morris American 5 195.75 103.99 108.09 108.09 108.09 108.09 108.00 1	GRIA Annisona Azz. 5 117.58 119.23 123.1 157.66 119.23 119.23 119.23 119.23 119.23 119.23 119.23 119.23 11
IR Growth 5-4 13 no 36 non 47.2 - 48.5 2.9 World Growth 5-4 54.0 59 Skin chief 1046 0.8 Biscal 54.2 57.3 1-017 1.0 Aberden Gill Income 0 51.25 51.2 51.2 51.2 - 404 7.4 Aberden Gill Growth 0 51.25 51.25 51.2 51.2 - 404	in Triest Film	Exeler Fand Managers Ltd (1400)F 23 Cithedral Yeri, Earler ECI 1186 23 Cithedral Yeri, Earler ECI 1186 26 Captal Growth	GAN UK Owin (ac., p. 1 100m) 140,ms 1921 1927 — 22.50 Gan UK Owin Ac., p. 152,25 152,25 152,07 — 22.50 Govett (John) Unit Migrat Ltd. (1000)F Stucketon House, 4 Savel Endge Land, Landon 171-407 7801
1 92010 Hart 141, Landau Bridge SE1 1A87 071 -407 5406 Protest 151	American & Jen	ings treasure — 6°- 49.30 d 1.50ml 44.36 40.01 20.00 Warrant W — 5 75 d 2.50 d 1.50ml 4.36 + 0.12 0.00 Zaco Proterono W — 5 152.38 32.69 34.60 + 0.91 0 00 Femally Investiment Minggart Ltd (1000)F 16 West Street, Brighten Barl 7:16 6273 220707	UK Sanal Cov
Acuma Fand Menagers Ltd (1400): 5 Rentelle Rf. Hutton, Estat 0277 690038 UK Entelly Ingone. 5-5, 73.52 61.16 68.20 4000 13.60 G Gold Forenth. 6-7, 77.39 7.20 7.70 7.04 7.04 7.04 7.04 7.04 7.04 7.0	Account (inflat 5 44 30 64 30 68 30 48 50	Fidelity investment Servs Ltd (1200)F	Pacific Strategy 54, 119.65 12.23 129.84 40 74 0.25 European Gerts 54, 64.23 64.23 63.63 44.34 (0.45 64.23 63.63 44.34 (0.45 64.23 63.63 44.34 (0.45 63.63 63.63 44.34 (0.45 63.63 63.63 44.34 (0.45 63.63 63.63 63.63 44.34 (0.45 63.63 6
Index Linked City 61 62.75 62.84 68.85 -604 1 26	100 100	150, Totalning Md. (contribute 111 102). Castron, Privade Climit 1990 4 141161 Castron, Privade Climit 1990 4 141161 Cast Privad Castron Funding (2007 4 1418) Castron Fund 1990 1990 1990 1990 1990 1990 1990 199	FI-SE leid 250 todas 21; 1 65.72 165.72 187.4 Loo 52.70 1889 BB Troch Chesiling 107-1-055 0003 185 UK Indus 4-45 1818 107.0 1879 1889 1887 1887 1879 1879 1879 1879
AEGON Unit Trusts Ltd (1400)F 35 Fountain 93, Sancrister M2 28F 9rsts (Grever 51) 53,13 Sancrist (257 4015) 2.20 Birth Record 51; 53,13 Sancrist (257 4015) 2.20 Birth Record 51; 53,13 Sancrist (257 4015) 2.20 Soled Portion F. 51; 62.57 70,35d 74001 4.8351	High Yeld	Shalliest Growth Bartys: 24-20 24-20 25-54 -0.02 1.05 Controlled Risk Uh. 54- 24-20 24-20 25-54 -0.02 1.05 Controlled Risk Empt. 54- 24-12 24-12 25-40 49 17 5.07 Controlled Risk America 54- 25-40 25-40 25-40 25-40 111.35 Controlled Risk America 54- 25-40 25-40 25-40 25-40 111.35 Controlled Risk America 54- 25-40 25-4	
APina Unit Trusts Ltd (1600)F APina House, 2-12 Pontonula Road, Landon, VI 94G	7 Development Square, Limited, EC2M 440	507 6 Ped har	ACC
Dealing 0277-02029 Estimosis 10 oct	March Marc	Horizon Prist	MS German (Smalleur + . 47) (2558)4 9.5694 10000 5.75 MS (GS 1 - Poud Bear + . 47, (2558)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000 150 MS (US 1 - Poud Bear + . 47, (256)4 9.5694 10000
Ind Growth 100 70 100 70 107 01 00 00 0.79 (Cctum Herit 15 0 100 100 100 107 01 105 0 0.79 (Cctum Herit 15 0 100 100 100 100 115 0 0 0 0.79 (Cctum Herit 15 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	IX wides	### 1500 1500	RES that Trasts = USS Entitlement AND IX Notice + 471 PR3229153066 U209 -0 E574 4.0 NOS Entitagen Index + 472 PR3229153066 U209 -0 E574 4.0 NOS Entitagen Index + 472 PR3229153066 U209 -1 E575 PR3 August Index + 472 PR322915306 U209 -1 E575 PR3 August Index + 472 PR32291507 U209 -0 E877 1.50 AND SERVICE HOSE + 472 PR322917 U209 -0 E877 1.50 AND SERVICE HOSE + 472 PR322917 U209 -0 E877 1.50 AND SERVICE HOSE + 472 PR322917 U209 U209 U209 U209 U209 U209 U209 U209
Fection Bissay 5 597 20 297 20 37254 40 6.50 4	54 7.16 7.116 78.16 78.07 40.1 1.00 54. 78.07 40.1 1.00 54. 78.07 40.0 1.00 54. 78.07 40.0 1.00 54. 78.07 40.0 1.00 54. 78.07 40.0 1.00 54. 78.07 40.0 1.00 54. 78.07 40.0 1.00 54. 78.07	Growth & inc 54, 139.2 138.4 148.7 -0.00 3.16 iod Per 54, 29.50 29.83 37.72 -4.13 0.00	MS Chair \$\duse \frac{1}{2}\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$
Segunt Cos	Copital House Unit Tst Migrs (1200)F Capual House, Festival Squere, Entropage, C31-239 4477 Decima Cool 20096	April 1948 1948 1948 1977 1 128 00.00 April 1948 1948 1977 1 128 00.05 April 1948 1948 1977 1 128 00.05 April 1948 1948 1977 1 128 00.05 April 1948 1948 1948 1977 1 128 00.05 April 1948 1948 1948 1948 1948 1948 1948 1948	285 Gempont Bear 4-42 SISSENTS-SEND 48296 42293 - 2223 - 2224 AUG SISSENTS-SEND 48296 4223 - 2224 -
101 Serg's Road Beginson Gall 4 (04) Anath legens — 5 (35.6) 70 56 (36) 4 (64 (27) 5 (37) 5 (47) 5		Specialist Foreis UK Indext. 514 95.68 85.68 100.7 -0.10 4.45	EC de F-écon Ec d - 12 51 de 31 de
Affied Dumbar Unit Tels PLC (1600)F effect Control Centrol, Sentation, Sent 161, FA 01; C172 61036 Clear Dept. (1781)	Min Asset Gueb 6 31.86 32.51 34.76 -0.25 -	Japan Reverse Index. \$4 132.0 132.0 134.6 142.0 12.3 135.0 136.0 142.0 12.3 136.0	Guardian Royal Ex Unit Mors Ltd (1000)F 50 Pertout E-change Sq. Lon ET4 9CE 071-638 9668
Growth A Incomp. 142 216 2 216 22 21 2 424 1 43 1 43 1 43 1 43 1 43 1	Property Stemes 6 33.86 32.87 34.34 40.38 2.96 5molec Cos 6 29.44 30.07 32.16 40.28 2.35 UK Growth Isl 6 22.40 23.08 24.68 40.04 2.69	Ridelity Select Personal Pension Fortieller	Deb
American Income 51/ 45:97 45:97 63:14 49.07 14 40 login locaries 51/ 375 4 375 4 40.13 4636 4,16 Equit / House 61/ 51/ 51/ 51/ 51/ 51/ 51/ 51/ 51/ 51/ 5	Po locates # # #7.04 #4.55 #8.68 #1.12.30	Employers	Appen Front 0 1217 1228 131.1 41.2 0.00 HBB Assertion 6 244.1 245.52 531.1 41.2 0.50 HBB Assertion 6 244.1 245.52 531.1 41.2 0.50 Garantes 6 407.2 47.2 40.9 40.5 2.28 Accura (1000) 6 407.2 47.2 7 40.9 40.5 2.28 Accura (1000) 6 409.8 415.3 43.7 43.5 2.28
Arour Specific 51 ₂ 124 134 1325 0.30 0.43 European Gearly 51 ₂ 2556 2559 27 16 0.09 1.84 International 51 ₃ 141,3 141,3 141,0 141,0 122 Incom		100 100	Galaness Flight Unit Tat Mens Ltd (2400)F 5 Calestron Street, London SE 1 285: 07 522 2129 Ball Truzt 379 108 46 108 57 11281 40 16 8 91 Global High Income 379 106 54 108 581 00.32 43 63 17 81 Frenhant force Long 1, 79 1
Specialist Trusts Acces Value 512 ASS 7 459 7rd 391 41 - 210 218 Conv. A Gr. 512 A2 60 42 60 45 53 1 0 08 5 10	Caresavo Portiolio + 5 69,92 70,00 74,67 (2) 3.00 American Portiolio + 5 81 77 61,77 87 40 (2) 1,88	Florating Private Fund Mings Ltd (1200)F 31 Son Street, Lorator ECZ MODP 87 - 317 9242 Florat, Balancod 9 119.8 113.8 118.4 3.23 Florat, Brighto 0 170.39 26.3381 77.91 - 057 4.16 Florat, Cap Phino 0 1 22.6 127.5 130.2 40.4 0.75 Gerrat Geogramston. 0 113.7 113.7 at 113.2 3.338	200 MEN 1022 1 2 24 201 6 2 20 1 25 AL 14 ULBO 2
Part rain 5 Crity 512 130 3 120 30 1302 4 20 1 09 0 rect Earthogs 512 313 1 314 0 256 3 450 2 06 1 cchooling 513 148 7 148 7 148 9 422 02 23	Century Unit Trusts Ltd (1400)F	Foreign & Colonial Unit Mat (1200)F Appin, PO Box 2001, Brostwood, Enex CMT3 120	High faccores
Arkwright Management (1400)F	IA General 1st	Engines/02/7 22/7/00 Physo Foreign & Cohuntal European	Halifax Standard 1st Mingrit Ltd (0/30)F
Growth	IN Growth 5 84 05 96.70 107.91 2.04 UK Growth 5 84 05 96.70 107.91 2.07 UK Growth 5 100.59 102.58 107.91 2.15	Environ 5 (85.4 85.5 87.4 8.7 4 4.8) 1.89 For Jackson 5 (13.9 13.70 14.8) 1.89 For Jackson 5 (13.9 13.70 14.8) 1.89 For Jackson 5 (13.2 7.5 2.77 12.77 14.9) 1.90 Jackson 5 (13.2 7.5 2.77 12.77 14.9) 1.90 Jackson 1	Ential Advantage Not. 51-7 33.90 34.42 30.49 40 111.00 Ential Advantage Acc 51-7 35.39 50.02 38.76 40 111.00 Entire Advantage Not. 51-7 35.39 50.02 38.76 40 111.00 Entire Advantage Not. 51-7 36.00 50.07 50.71 40.1 4.10 score Advantage Not. 52 25-00 36.11 31.02 40.1 4.10 Entire Monte, 50 Revietly Ruf Hallon, Brontwood, Enter
1 1 2 3 4 5 5 5 5 5 5 5 5 5	1 Wilden Hart Yard, London Bridge, SE1 071—407 6968 Investment Advisor - 60 Bodoma & Pierra Bodoma in 3.—— 5 1 78.45 78.454 #2.82	Fermina A. Camaron Brandon Francis Fra	Englists 0277 227300 Deating 0277 297330 Property Share 5 56.28 Study 58.78 58.78 1.07 58.78 1.07 58.78 58.7
Battile Giffard & Co Ltd (1400)H 1 Rutand Coort, Edinburgh Eth 867 031-222 4242 86 America V 5 273.1 273.1 2820 +222 -	Cty fin lot 51 67.58 57.58 st 60.61 10.73	Foster & Braithwaite Fd Mngt Ltd (1100)F	Admid. 5 Kaylenga Md, Halliam, Brontisedod, Essept Façalites 0277 227-300 J. Cessing 0277 (970)390 J. Cessing 0277 (970)390 J. Cessing 0277 (970)390 J. Cessing 0277 (970)395 J. Cessing 0277 (970)395 J. Cessing 0277 (970)
Do Conv 6 Can 5 52,39 52,39 50,01 -0.16 6,49 85 Energy 9 6 427,9 427,8 460,1 +1.4 0.76 85 Europe 5 177,5 177,5 185,6 +0.6 1,64 85 Europe Garin 5 317,1 310,4 m 240,5 0,1 4,80 85 Europe Garin 5 317,1 310,4 m 240,5 0,1 4,80	Investment Anyloru — Resolution Constituents Fifter 1900 Cop 5 154, 284,75 283,75 283,71 - 1.04 2.76 Fifter 1900 Cop 5 154, 284,76 283,75 283,71 - 1.04 2.76 Firem from time first 5 157,50 175,50 187,71 485,010 Forent State 6 154, 200, 154, 154, 154, 154, 154, 154, 154, 154	1 Wilder Herr Titterd, Landson SET 1988. 077 -407 5999. TRAIL High the Editor, 2-52 44.52 44.92 47.9 4.5 4.57 4.79	European 5 123 50 123.50 123.00 123.00 123.01 1.16 L lbc Studios 5 74.30 74.38 79.12 4 17 - 4 19 - 4
Japan Fel W	Investment Advisors - Shappards City Pa Ptilo inc 6 54.65 58.62 62.56 3.67	Framilington Unit Mingt Ltd (1200)F	Henderson Unit Tst Magent Ltd (1200)F PO Bor 2:67, Breshrood, Essex CM14 427 Equates 0277 2:3270 Parathy of Funds 514 60 05 69.05 73.71 40.87 2.27
36 Guyen St, London, S-CHR (19M) 101 6. O'rese 5 (24.6) 243.6 256.4 -1 10 [1.40 Craptal Gwin 5 07.60 87.00 102.6 10 [1.40 W-side Oppos 5 140 6 146.4 152.6 10 [1.40 Emmy Physics Campit Stand Govern 5 78.69 79.37 42.5	Clerical Medical Unit Tst Mgrs Ltd (1200)F	Amer Sruir Com 5 418.3 419.3 48.4 46.30 10.00 Recent Unit) 5 423.3 423.4 453.0 10.00 Staylor Fr. 5 203.4 203.4 403.0 4.33 1 92.4 Mecros Unity 5 203.4 203.4 403.0 43.3 1 92.4 Mecros Unity 5 203.4 203.4 403.4 1.02 Cort Scarle Com 5 47.52 47.22 40.0 43.5 10.05 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 52.77 403.0 66 Downwidthe 5 114.4 114.4 121.9 4201 (4.37 Mecros Unity 5 48.95 Mecros Unity 5 48.95 Mecro Unit	98 Freed Str
Barcleys Unicorn Ltd (1800)H 11 Broadway, Strations E18 4BJ 081-534 5544 Salesced Teasts	American Cents	(Accum Units) — 5 411.8 611.8 252.2 42.2 5.95 European — 5 93.60 93.00 94.00 40.01 1.03 Vecum Units 5 90.74 90.74 103.5 1.00 1.03 Edna Units 5 200.9 280.9 27.8 40.4 Vecum Units 5 404.5 404.5 403.7 40.10 4.04	Record of Lorella - 20 - 20 - 20 - 20 - 20 - 20 - 20 - 2
Briss hiv Fel Agr	Gill & Part Int Inc	Resentation	Microsoft
Frontie 54 1628 1828 1741 296	Ped Sm Cos loc 514 25 57 27 4305 29.10 40.17 (1.61 Ped Sm Cos Acc 514 27 22 28.11 20.02 40.15 (1.61 Pedrement loc 6 96.16 23.32 28.16 0.53 1 Rethremore Acc 6 30.97 31.41 33.98 85 36 55	Accume Union 5 179.5 179.5 197.4 -2.00 (0.00 Mininged Portfullo Inc. 5 07.32 05.15 of 99.84 -4.02 (0.94 Mininged Portfullo Inc. 5 07.78 93.72 of 98.85 +8.46 (0.94 Mininged Public Inc. 5 of 17.25 173.5 173.2 -4.27 (0.00 Mininged Public Inc. 5 of 17.25 173.5 173.2 -4.27 (0.00 Mininged Public Inc. 5 of 173.5 173.5 173.2 -4.27 (0.00 Mininged Public Inc. 5 of 173.5 173.5 173.2 -4.27 (0.00 Mininged Public Inc. 5 of 173.5 173.5 173.2 -4.27 (0.00 Mininged Public Inc. 5 of 173.5 173.5 173.2 -4.27 (0.00 Mininged Public Inc. 5 of 173.5 173.5 173.2 -4.27 (0.00 Mininged Public Inc. 5 of 173.5 (0.00 Mininged	Accession
Gast lec	Culturial Mutural Unit Tet Nigra Ltd (1200)F Crainam Markine, Kent ME4 477 0634 835000 CM Capital 6 55.22 50.15 UKA7 -0.10 1309	Modify Income	C
Copins - OS 103.5 103.5 10.7 -0.2 2.62 Growth Acc Sty 202.9 202.9 31.8 -0.1 2.70 Lohn 4 20 Sty 03.0 90.30 103.1 -0.2 2.10 Recovery - Sty 365.1 355.1 779.6 -0.5 2.95 201.5 2	Commercial Union Tet Mgrs (1200)F 1 Undershaft, ECSP 300 Dealing 081-696 Det6 Enquires 081-681 2222 CELEGY First Place. 31 87 001 57 82 58 77 (40 64) 25	Account United	Second Reads F 100
America - 54 120.5 121.2st 128.6 +0.5 0.73 America - 54.5 74.22 74.86 79.77 +0.31 0.00	CUUKS Conemi 0 66.90 66.90 71.17 40.12 2.48 00 Accum 0 66.90 66.90 71.17 40.12 2.48 00 Accum 0 60.20 80.20 85.32 46.13 2.48 02.16 92.10 66.00 46.51 81.12 00 Accum 0 70.40 72.40 44.80 44.18 17.12	Account Units	Marces and 72 Doubles: U71-410 4029 American Goth
Euro Owth Inc 544 11.8 11.6 1104 +0.8 1.00	De Actour	Cardio Sirvet, Salektury, Witts. Admix/07/22 411622 PE Gusty Our	For East Open Inc. 54, 22.25, 20.25, 24.4.71, 0. Sail Per Sent Open Act. 54, 27.16, 27.13, 35.60, 40.74, 0. Geo- Geomed Growth — 54, 26.55, 98.55, 90.20, 14.70, 2.04, Sentent Growth Act. 54, 29.01, 29.01, 10.000, 49.70, 2.55, 46. Geolat Tech 54, 119.901(9).905, 127.61, 447, 0. Mar.
### 180	(Action Units) 0 (92,05 92,058 92,06 +4,05,15,30 p Equity accome 0 140,51 146,06 152,00 44,05 12,00 p Macron Units	P Florid Str Diet	
American Growth 2 08.52 08.52 08.01 +0.55 07 American Smith Cox 5 1201 120,1 120,6 14.6 40.6 07 Cox 5 1201 120,1 120,6 14.6 40.6 07 Cox 5 1201 120,1 120,6 14.6 40.6 07 Cox 5 120,7 67.6 10.6 10.6 07 Cox 5 120,0	Preference 6 49.03 48.68d 49.59 -0.67 7.38 6 Preference 6 49.03 48.68d 49.59 -0.67 7.38 6 Preference 7 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	De Accuse	American Growth 8 47 75 48 52 51 43 4 49 . Tru
Equity Incomo 0 78.97 80.874 60.71 -0.21 6.2 6.2 6.2 6.2 78.97	PPT Europo 5 144.86 144.86m 194.12 +0.07 (0.96 PPT Michy Inc. Plus 8 48.13 47.19.0 50.16 +0.12 7 07 0 PPT Japan 8 196.96	10 Accus 5 75.45 77.49c 62.44 + 0 10 13.35 1 Ars Sheiship Dist. 5 8.45 85.45 101.54 - 1.05 0.00 10 Accus 10 10 10 10 10 10 10 10 10 10 10 10 10	Groupes Growth
Japan Growth	PPT first first familian (1) 144,55 145,564 184,55 1456 10,00 0 PPT Gold S Condy (1) 0 S 23 54,754 184,55 1456 10,00 0 PPT Gold S Condy (1) 0 S 23 54,754 184,00 144,00 145,00 14	ANDA	Decreas Genera. 8 32 07 32 43 34 34 31 31 31 31 31 31 31 31 31 31 31 31 31
Porticipio	Do Accomi	T Visit Stanzgers Ltd (1200H B Floer & Describite St. Loncon EC2M 47J 71—224 4567	Bittain 4005000000 R200, Driveton Dil -500 4255 Bittain
Blackstone Francis UT Miners Ltd (0900)F 28-34 6t Street, Lundon SC19 8f4. 071–250 3000 let Gets Particle Act. 5] 71-24 71-24 75-78 — — — - — — — — — — — — — — — — — — — —	Lysion Way, Sarrenage, Herits Sci 2003	or Feet & Gest	Per East 0 234.70 234.70 231.00 4.17 0.42 Pleased 6 676.3 676.3 676.3 672.3 72.3 72.3 72.5 25.2 6.4 72.5 676.3 676
Bresein Dolphin Unii Tst Mgrs Ltd (0905)F 5 Ghaur St Conton ECTA 9DE 071-238 6441	Smaller Cos Tec	Come Inc. 51, 117.00 119.50 127.01 4.20 EUR Come Acc 51, 117.50 119.50 127.00 427.0 88 Remedicand 51, 127.90 127.00 327.00 427.0 88 Remedicand 54, 127.50 77.50 32.00 45.51 4.00 di incurso 54, 177.50 77.50 32.00 45.51 4.00	Informational
Delphia Special Strp. 6\(\) 163.8 163.9 174.9 +1.8 (1.26) Delphia Oridend 6\(\) 71.00 72.00 77.06 v 47.73.3.00 Delphia IV GB A Ivc. 5\(\) 72.04 200.4 214.3 +0.00 245. Delphia IV O Gen. 5\(\) 49.33 49.33 43.18 +9.11 (1.33)	Suropean 9 27.70 27.90 25.77 40.90 1.2 S	organ Sacardines _ 54, 54,00 34,13 57,00 +1,00 to them Acc _ 54, 108,30 109,20 119,00 119,00 109,00	South — 0 227 5079 502 507 61 -0.4 510 509 507 61 -0.4 510 509 509 509 509 509 509 509 509 509 50
Britannia Life Balt Magagers Ltd (1200)F	1 White Hart Vo. London Bridgo, SET 1983 07 - 407 9966 U Consistent UT 5 28.84 28.84 20.77 5.89 U Consistent UT Acc 5 30.07 30.07 32.241 3.85 UK	S 6 General 51, 113.00113.00m 128.00 +120.11 Purble Seec Site 51, 114.90 114.90 122.90 +0.70 [0.11	RVESCO MRM UT Mingrs Ltd (1200)F I I Deveratire Square, Lim. 6034 41R 811-606 3434 Bostog. 6863 016732
0 1 1 2 3 3 4 3 1 5 5 5 5 5 5 5 5 5	Equity Dist Stay 17 0 721.5 721.0 723.70 3.98 54 Equity Acc Stay 17 0 1744.4 1744.4 1775.2 13.93 0s	artmore Fund Managers (1200)F artmore Haust, 16-18 Magazapri Stock goto ECP Managers (271-782 2000 atting only 2011-28422) in page Sandam Freehore (250-283 206	A specialist (1985 - 4) 4 57 944 90 65 - 4 31 9 9 9 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Self-bed School, Gazgow Self-BR Oct -223 second	191 4 1914 1 20 1 20 1 20 1 20 1 20 1 20 1 20 1	Consent Floor	Accure treats — 514 51 56 51 50 51 50 51 56 11 56 51 50 51 5
gaz recurring — U 3 Acct 3 A 70 57.151 (a 0.1511.31 Partic Committa Acctum — 6 1000 (1922) U 47514-085 (0.58 Inc Spec Objes Account — 6 1 55.65 00.96 00.00 +0.84 40.87	European Sistali Cos	Kinder 0 127.50 127.50 120.14 -8.11 3.21 (Smaller Cos. 61.4 1100.19 102.58 118.51 11.03	Sept Control Let 544 729 729 729 770 633 4270 42 20 Coven - 544 51 64 51,648 5527 4 124

	UNDS SERVI	CE	
4	ini Casa and Other +or Thi Chiga Price Price - 6"1 HAVESCO MIM UT Mingry Ltd - Control.	Companies Mais 1746	These Gray M&d
! 8	HAVESCO MAIN UT Magra Ltd - Could. Hall income Fract. Gallerian (1940)	MCM Unit Managers Ltd (1000)F 1021 Hoses, November 15, Borothiag	26 F 4831 NEP 11.16 NEP 4.60 NEP 4.60 NEP 15.54 NEP 0.98 188P
2		(ACCOUNTED	217 Mati 243 45 6 253 45 6
	Pengary States. 54. 6331 5325 5726 1446 1.7. Pengary States. 54. 6736 5735 5726 1446 1.7. Pengary States. 54. 6736 67 88 89.94 427 69.8 IS Smith Com. 54. 102.6 102.6 102.8 103.5 220 Fectival Units. 54. 102.7 102.7 103.5 220 Fectival Units. 54. 102.7 102.7 112.4 4421 1.3. Fectival Units. 54. 102.7 102.7 112.4 4421 1.3. Fectival Units. 54. 102.7 102.7 112.4 4421 1.3. Fectival Units. 54. 102.7 12.7 12.8 14.8 11.3. Fectival Units. 54. 102.7 12.8 14.8 11.3. Fectival Units. 54. 102.7 12.8 14.8 11.3. Fectival Units. 54. 102.7 12.8 17.1 7.1 14.8 11.4. Fectival Units. 54. 102.7 13.1 12.7 14.8 12.1 14.8 Fectival Units. 54. 102.7 13.1 12.7 14.8 12.1 14.8 Fectival Units. 54. 102.7 13.1 12.7 14.8 12.1 14.8 Fectival Units. 54. 102.7 13.1 12.7 14.8 12.1 14.8 Fectival Units. 54. 102.8 13.8 13.1 12.7 14.8 13.1 14.8 Fectival Units. 54. 102.8 13.8 13.8 13.8 14.8 14.8 14.8 14.8 14.8 14.8 14.8 14	Ministry General 0 126.2 126.2 136.2	4242 NPI 0
	Entopie Peri	Manualle Management Ltd (1200)F to George's Way, Severage Dustage 04:39-74 Couch Units	7414 AFT 6 250 AFT 1 7.53 AFT 1 0.10 AFT 1
	Global Income 54 52.34 82.34 87.76 40.71 2.25 101 60.05 52.78 40.71 2.25 101 60.05 52.78 40.71 2.25 101 60.05 52.78 40.71 2.25 101 60.05 52.78 40.71 2.25 101 60.05 52.78 40.71 2.25 101 60.05 60.05 52.78 40.71 2.25 60.05 6	Managed Phole 94 60.81 60.61st 64.83 +0.28	0 47 2.01 Marii 0.22 0 Marii 1.56 Euro 14.36 Euro Fer E 1006 Red
	February Fields - 5-1 (10.8 10.8 10.8 -0.8 1.8 1.8 1.0 1.0 1.8 1.8 1.8 1.8 1.8 1.8 1.8 1.8 1.8 1.8	7 BERNER & Spenderr Unit Triest Ltm (2 2009- 9 N St110, Conster X, CHES 900 0544 05 9 M S S to Přolo 07 1332 1333 1428 422 06 Access 57 147.9 145.1 1852 427 UK Sej Přolo 175 110.0 111.6 1852 420 00 Access 57 123.5 124.3 7229 400	0068 Pand 204 Japa 7204 Nors 1297 Nors 1297 UK E
	10 Feecharch Street London EC3 Desient: 071-956 7354 Adeqn:071-623 8000	Markorough Fund Managers Ltd (1630)F 57 Victoria Square, Button, BL1 1LA 0204 36	MB42 UKG
	Page Vield 55 123.4 123.4 137.7 +8.21 (6.0) Victim Militi 55 357.8 357.0 300.8 +4.00 (6.0) Smilt Cos DN 55 46.90 47.354 90.37 -0.04 4.12	Martin Currie Unit Trusts Ltd (0005)4 Satir Gt, 20 Capie Toyana, Estaparja 03-2-76 Fee East Spacing of S-1 13-9 13-0, 03-2-76 Fee East Spacing of S-1 13-9 13-0, 03-2-76 Fee East Spacing of S-1 13-9 13-0, 03-2-76 Fee East Spacing of S-1 13-0, 03-2-76 Fee East Spacing of S-1 13-2-76 Fee East	0.66 3.13 1.32 2. Lo 1.65 1.65 1.80 1.80 1.80 1.80 1.80 1.80 1.80 1.80
	Accord Units	Japan 54, 92.94 53.27 56.54 4001 Everying Mediates 6 76.63 78.46 63.91 +1.25	
	Section Initial 55: 153.6 153.6 174.0 6770 1500 1500 1500 1500 1500 1500 1500 1	String Wham 9. Evil 68.28 SEL 1 (100) 17 - 20 M	1000000000000000000000000000000000000
	Marier Action 52 312 212 2017 088 2 7 8 18 18 18 18 18 18 18 18 18 18 18 18 1	Procure Listing	
	Knight Williams Portfolio Binger (1000)H 101 line Gerd Street, London W17 OLA 671—629 1955 (Statistic Stamping 4) 6 164 572 5 27 43.7 0.1 Contact to Stamping 40 60, 27 31,65 54,33 44,55 1.2 breathert Earls (Feb. 49-54,57 57,78 33.4 44,81 0.1 breathert Earls (Feb. 49-54,57 57,78 33.4 44,81 0.1 Fig. Income (Foc. 49-54,67 57,78 33.4 44,81 0.1 \$150 100 100 100 100 100 100 100 100 100	(Accuse the 54 129.0 151.2 141.1 44.10 161.5 151.2 141.1 44.10 161.5 151.8 151.0 161.7 -0.40	7 Pen
	LAS Unit Tet Mingre Ltd (1000)H	Worden (Britis) 5 186.2 186.2 197.6 +1.10	0.00 (Acc)
	Heli Acroer Espairy 512 37.575 57.758 dt 31.951 (0.22 UK Espairy 512 37.585 dt 31.951 (0.22 UK Espairy 512 34.26 84.253 dt 31.951 (0.22 *CAR - Consposed Arrest Role		1.96 Haw
	L & C Unit Test Magunt Ltd (0905)F Breatwale Hee, 5 Apold St. ECX 20A 077-568 2000 Income	Mersin Juniter Unit Tet Mgrs Ltd (0905)F	Per
	Income & Growth Sec 5½ 51.79 62.4 55.74] +0.05 4.45 Laurenthan Unit Text Magnet Ltd (1200)H Laurentan Han, Barrasood, Geotester CL4 7kZ	American Cop 5 151.9 151.5 101.9 +41.1 Income 5 113.6 114.67 121.9 +21.4 Restorces & Couerts 5 113.6 137.4 148.2 +1.5 Its Ecrosion	1020 Instanting 1020
	Segume Sec. 2 1700	12 23 21 22 2 2 2 2 2 2 2 2 2 2 2 2 2 2	PEP Animal
	Lazard Unit Tet Mingrs Ltd (1200)F	UK Incomm Acc \$\frac{1}{2}\square	14 F
	21 More Both, London BL27 201 07 - 37 0510 (M Capital May 20 6 31 135 313.5 118.2 13.0 tale & South Ray 20 6 31 135 313.5 118.2 13.0 tale & South Ray 20 6 37 15 31.5 31.5 31.5 31.5 31.5 31.5 31.5 3	(Account the bar 6 81.37 84.50 90.37 -0.07 Feetopean Growth 6 150.6 160.8d 177.6 +1.60	3.03 Pag 2.06 39 P 2.05
	Equity (221	Peccan Crusts	6.60 UK a
	UK Technol Alfoculum 0 10.01 1	Decirio Delizi	0.00 Post
	UK Processor	Secure Carbs 0 95.32 96.33 10.6 4.04	on Prin
	Lioyda HK Unit Tat Mgrs Ltd (1000)F PO Box 63, Chathon, Non ME4 478 blodes 0614 834739	Money Blastest 6 80.25 80.25 85.06 +8.05 Month American 0 78.96 77.51 82.56 +8.04 Middled FSAVCS Ock Trust	0.00 Proil 3.01 Water 5.01 Empire 0.50 Amer
	Conf. Europe Gwitt	0 72.58 73.59 75.58	0.67 Cars 0.67 Euro 0.67 Euro 0.67 Euro
	house Porticio 6 476.30 479.40d 510.10 -0.70 4.21	British 67 74 75 75 75 75 75 75 75 75 75 75 75 75 75	2.00 Fer B 0.25 (Accu 8.65 High 1 3.49 (Accu
	08 (97.19 103.00 22801031 6 50.50 50.97 54.16 205 1.59 10 (96.00) 1.59	North Americas 61 77.85 78.50 83.51 ABAI "Does witch, with will be loaded at Doe price. Millennisting of Management Ltd (1000)F 1 White Sert Yard, Locion Bridge, SE1 071–407 International 54 \$10.44 10.07 11.25	(Accus
	Do (Activity)	Morgao, Gronfell Isyrest Fds Ltd (1000)H 20 Fissbury Coron, London ECSH 107 Ceden: 071-050 0256 American Groth	(Accus IIX Bit 1123 (Accus 2.De Pros) 1.00 (1.See
	IK Growth	led Gerth	1.00 Gunto 1.04 Internal 1.24 Income 1.24 Europe 1.28 Europe 1.48 Europe 1.48 Europe 1.40 UK Sin
	LODGOG & Manchester Tst Nigrat (1000)H Washing Park, Ember Die 188	GE 61 to Trocker (m. 5) 1884 1984 1983 2583 2690 1990 1990 1990 1990 1990 1990 1990 1	.63 Bond .90 Provi
	Consum 0 7.46 7.50 7.65 7	Murray Johnstone UT Murrit (1000)H	Europe Jopes
-	US O Glosen, Victoria Rond, Chelensilos (IAH 198) Contener Seniepativi Delitry (265 2030) Roner & Geperal — 6 377 44 377.8 398.5 + 4 0.84 Rosen Birles 5 489.5 2 485.8 91.7 + 7 0.84 Rese Reportey — 5 297.7 397.81 49.7 + 1 0.82 Rese Reportey — 5 297.7 397.81 49.7 + 1 0.82 Rese Rese Content 6 455.6 455.6 452 - 2 Rese Selli Content 5 173.44 112.5 126.0 + 2 - Research Gross — 5 173.45 173.6 12.6 - 2 - Research Gross — 5 173.6 173.6 173.6 - 2 - Research Gross — 5 173.6 173.6 173.6 173.6 - 2 - Research Gross — 5 173.6 173.6 173.6 173.6 - 2 - Research Gross — 5 173.6 173.	7 Wines Ries S., Glasgow St. 1275 GANDER 125-50 G.2-50 G. 1274 Accurate Inc. 125-50 G.2-50 G. 1274 Accurate Inc. 125-50 G.2-50 G.2-7 G. 1.5-5 Environme 125-50 G.2-50 G.2-7 G.2-5 Environme 125-50 G.2-7 G.2-7 G.2-5 Environme 125-50 G.2-7 G.2-7 G.2-7 Environme 125-50 G.2-7 G.2-7 G.2-7 G.2-7 Environme 125-50 G.2-7 G.2-7 G.2-7 G.2-7 Environme 125-50 G.2-7 G.2-7 G.2-7 G.2-7 G.2-7 Environme 125-50 G.2-7 G.2-7 G.2-7 G.2-7 G.2-7 Environme 125-50 G.2-7 G.	10 Hong K 10 Hong K 30 Switzs E 87 Switzs E 22 Wreide 68 Vrveide 16 Erwerdt
-	Accom United	Poolic Growth 1 75 59 78.59 11.02 4 25 G Johan Browth 1 32.43 63.43 53.13 -021 G HPU Murkush Unit: Maryus Eld (1400)F Admix: 5 Rayleigh Aroad, Hudon, Brestwood, Essen. Engliss 0277 227.000 61 102.99 165.60 11.221 -0.01 18.	ThePark
-	Televis Tele	HOM Unit Trust Mingrs (1200)6 The Billion Courte, North Herbeur, Partemouth	New Zoo New Zoo Inc Mag Inc Mag Inc Mag
o he me me	Demonstration	Distance Ords 3 (2012) The Manager of Particle Species The Manag	- Global Or
č	September Ordered 5 5 57.52 59 00 0 1 70 - 02 42.57 (2010) 10 10 10 10 10 10 10 10 10 10 10 10 10	According to 54 2848 2904 2818 42 42 42 42 42 42 42 42 42 42 42 42 42	O CAM BITS SE CAM BITS SE CAM BITS SE CAM BITS
THE PARTY OF	Publication 3 Date 100/40 (0.00) +20 10 79	For its Acc. 33, 1814 163,4 1746 4178 1626 163 571 1637 1638 164 163 164 164 165 165 165 165 165 165 165 165 165 165	O Inti Grow
2	Integral Moorno _ 412 36.32 31.00 25.07 40.1 4.12 Poliniz 5 52.47 53.000 56.00 +0.8 3.38 Tourn Units) 5 167.07 168.0 179.4 4.2 1 3.38 mailton Ea 5 202.07 010.570 877.0 -0.7 4.36	Section Units 54 102.5	St James G Precider P O Presider P
1200000 E	exercy 5 73 6 75 82 82 84 84 17 75 85 85 85 85 85 85 8		Literación Life Index Cerental Roscory O Provide 0 25-31 M
n	Guide to pricing of Au	thorised Unit Trusts	PM Equit O PM lapos PM Nth A PM Europ PM Japa PM Over
	Compiled with the assistance of I INSTAL CHARGE: Durge made on sale of units. Used to delay marketing and admissionable casts, including commission paid	HISTORIC PRICING: The letter H denotes that the managem will contrally deal on the price set to the The	President 51-69 to President
	to intermediarita. Taks charge to included in the price of epits. OFFER PRICE: Also called issue price. The price at which units are bought by investors.	price about a war more about restance. The prices about and the little scale belong publication and may not be the content dealing invals location of 40 interventing portain revaluation or a ewhot to a forward pricing basis. The resemption must deal at a forward price on request, and may make to forward price on request, and may make to forward.	Producted of Produ
	BID PRICE: Also called redesigition price. The price at which wash are said back by investors. GANCELLATION PRICE: The minimum redemination price. The modificant several between	FORWARD PRICENC: The letter F denotes the managers deal at the price to be set on the end valuation, investors can be cheen on	Prodestal
	the offer and bid prizes is determined by a formula hald down by the government. In practice, mixed with trest managers quote a which nament apressal. As o result, the bid price is often set above the cancellation price. However, the bid price might be moved to the cancellation	being carried out. The prices appearing in the perception of the most recent provided by the managers. SCHEME PARTICIPARS ABO	Preferie
	circumstances in which there is a large excess of sellers of units over buyers. THATE: The time shown alonguide the lacet	REPORTS: The racest recent report and scheme particulars can be obtained free of charge from fund managers.	Reflaten II British Lije Reflator (Reflator () Rock As Bullyon He
İ	eparager's raune is the time of the anti truef's voluntion point traces another time is indicated by the symbol alongside the indicates with trust	Other explanatory natus are contained in the last column of the	Hanaged.

| Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix | Appendix



. =	TOUBLY MAY 25 I				<u></u>		31
	FT Cityline Unit Trust Prices are available over the telephone. Call if	he FT Cityline Help Desk on (671) 873 4378 for more of	MANAGED FO	UNDS SERVICE			
S1 6 6 9 7 1 8 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Setup House 20, Loadon Wild Tet More (1600)F Softy House 20, Loadon Will Tet More (1600)F Softy House 20, Loado	Grant Price Price Grant	Pritte Prities Green Historik Life Prities Prities Green Historik Rized, Historica Health 0444 414111 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Bid Other or Yield Price From Homeowritist Price From	Md Other + er Yield	Mary	nid Other + er Vield Aries Price - Green et al. (1988) 1888 1
Sq 12 Car Car Enter Inc	Overeign Bolt Tet Mogra Ltd (1000)	12 12 12 12 12 12 12 12	Area	Search A Michaelled Set 2 (2015) 170 (2015)	1225 1224	55.1 461.9 + 1.9 - Paros alt Ri	
	Service Acc - Se	2.76 2.76 100 Performent 141 142	od flating 2	Medicard Solety Feet. M.2.0 17.5	148.3 154.4 +0.4 - Assertan (Acc) - 2 Building Ster (Acc) - 2 Building Ster (Acc) - 2 Building Ster (Acc) - 2 Building Ster (Acc) - 2	8.4 798.4 +2.9 - Jersey (constraint) 1.30 103.3 +0.2 - With Proble Fund.	Thus 135-50 155-57 15000 -
Serr Chac Inn Par Eur Sta 20 i Gao US Far Jap	December 10 10 10 10 10 10 10 1	Furnipuen Acc	200.2 200.	Control Street, Settomy, Wits 571 354.	2	10	Cold
46 (Ame	Security 84	33.1 34.9 A1 - MAR	### 198.4 178.4 +1.1 - D. ### 198.4 178.4 - D. ### 198.4 178	10.53 12.53 15.54 15.55 15.5	Hy 122.7 129.2 -0.1 - Recovery(Acc)	3000.0 +0.6 - Managed Feed Egylly Fund Administratif Fund Hing 0903 204031 Property Fund	Freed \$2.2 \$0.9 \$0.1 -
Class Man Class Inves Man Man Man	per Union 6 143.0 143.9 142.0 +13.1 144. M & G Securities Ltd	0.1 n.5 Aristricus Life inserance Co UK 200 2.4 Alym Read, Croydon Cité 2.A UK1-80 6000 2.4	## Newford 157.0 150.4 40.1 Fr.	1942 255 9	100.7 100.0	0.7 403.9 +3.7 - Growth Managed F 8.3 214.9 +0.1 - Sentirel Managed F 5.9 121.3 +0.4	FG 363 77 369.81 +0.77 - FG 126.01 130.17 +0.27 - FG 126.72 128.27 +0.25 - Diverse of May 21
Stan Advan Equal North Figs &	nthe: 5 Physiologic Pict, Persona, (Simularooti, Essaya U. 1977) Personal Co. 7 Stay 16 . Sail 2 . 0177 Personal Co. 7 Stay 16 . 0177 Personal Co. 7 Stay 17 Stay 1	271 Sartisty's Life Adeals. Co Lts 257 Revisited Reed, Lendon E7 081-534 5544 Reside 271 Life Reside	7 Ampscom	7 Pen For Eint Fd	Yorkeshire Asses Society Managed RG Varietishire Asses Society Managed RG Varietishina O'100-820191 Profile Pain Assertica Acc. 27 27 27 27 27 27 27 2	rance Mbac Fund (Cap)	Co (Unit Funds) Ltd competed for the following
Sensi Reside Armer Munu Lik in Lik En Munu	# Spub	155	Not. Ro	100 100	00	2.8 30.2 Paul Ammerce Mills 140.5 Paul Ammerce Mills 140.5 Paul Ammerce Mills 120.1 Paul Ammerce Mills 140.5 Paul Mi	1/425 1500 -1.0
Meste	Like Traste Magnet List (1900)		- Trust geogram - 172 s 1811 - 401 - 700 s 250 geogram - 172 s 1811 - 401 - 700 geogram - 172 s 1811 - 401 - 700 geogram - 172 s 1812 - 401 - 700 geogram - 172 s 1812 - 401 - 700 geogram - 172 s 1812 - 402 - 700 geogram - 172 s 1812 - 402 - 700 geogram - 172 s 1812 - 402 - 700 geogram - 172 s 1812 - 402 - 700 geogram - 172 s 1812 - 402 - 700 geogram - 172 s 1812 - 402 - 700 geogram - 172 s 1812 - 402 - 700 geogram - 172 s 1812 - 402 - 700 geogram - 172 s 1812 - 402 - 700 geogram - 172 s 1812 - 402 - 700 geogram - 172 s 1812 - 70	1909 1809 1909	282.4 297.0 +0.0 Project for 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	5.2 500.2	190.0 154.0 +2.0 - 199.0 147.0 - 204.0 255.0 - 40.9 45.0 - 204.0 251.0 +1.0 -
trick holder Mingd I Mingd I Mingd M	According to	2,0000 Black Harse Life Asstrance Mourmanne Her, Cristman, Kont. 0834 034000 Cristman Her, Cristman, Kont. 0834 034000 Cristman Her Cristman Her Cristman, Kont. 100 February	American	Plands Porticole House, Rathow, Esser CZ79 020002 Proposition Post	6 4072 51.2 +1.2 Property inf	670L5	27.00 27.00 +1.0 - 138.0 144.0 -1.0 - 198.0 207.0 - - 216.0 22.0 +1.9 - 151.0 160.0 +1.5 -
Administration of the control of the	Ant of Physiologic Process, Particles, Parti	No. No. April	nt inv 507.22 533.93 = 020	silling 178-0 195-5 +0.1	March Marc	Skannier Hos, Pernie 17.1 H Skannier House 17.1 H Skannier House 17.1 H Skannier House 18.2 H Skannier Hangel 18.2 H Managed - 18.2 H Managed - 19.4 Ma	145.0
TSB ACTES BOACTES BOAC	American 0 198.00 101.59 202.50 1.30 0.15	Manager for Fd	pod Capa	subs Funds 116 (Fool)		2.0 (8.4 or) Pactice Equally — 12.4 (1.5 cq.) 1.5 cq. 1.6 cq.	1904
On Acc TSB Pa Do Acc TSB lat On Acc TSB Na On Acc	0 0 0 0 0 0 0 0 0 0	463463 SPIRisarpia Life Assayrance DB Estimate Street, Geogram C2 648 D4T=249 2000 Var Face Life Feats Biossawd Partennance	Part Part	Foreign Colonest 161.8 170.2	Portibile Portibile	3.3 68.3 0.0.10 Prolific Life & 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3	Pensions Ltd mod sur Distance Grown Manager Francis 10, 20 Patrick Left 418 0519 733733 mod sur Distance Grown Manager Francis 10, 21 10,
Emilion On Acc TSB 5- On Acc TSB int On Acc TSB int On Acc TSB 5- On Acc TSB 5- On Acc	COURT	Service Serv	aby 200.6 274.7 42.4 1-140.4 195.0 25.5 40.1 1-140.4 195.0 25.5 40.1 1-140.4 195.0 25.5 40.1 1-140.4 195.0 25.5 40.1 1-140.4 195.0 25.5 40.1 1-140.4 195.0 25.6 25.7 40.1 1-140.4 195.0 25.7 40.1 195.0 25.7 4	high General Ppty	20.1 24.2 +1.6 Global thord 20.1 24.2 +1.6 Global thord 20.1 +1.6 -1.6 Global thord 20.1 +1.6 Global thord 20.1 +1.6 Global thord 20.1 +1.6 Global thord 20.1 +1.6 -1.	7 70.0 ed.10 Equity Fund. 7 77.0 ed.10 Fund Fund. 8 77.1 ft. Fund Fund. 9 61.0 ed.10 Fund Fund. 9 61.0 ed.10 ft. Fund Fund Fund. 9 61.0 ed.10 ft. Fund Fund. 9 61.0 ed.10 ft. Fund Fund. 9 61.0 ed.10 ft. Fund	0135 6521 -17
Temp Atheli Global Global Global Value T Value T	180 See 1 249 1 202 3	Carmade Life Group	Refus-Panalast (27.8 565.7 +1.0 =mm ofmm	Grown Re, Playlewon Bart, W. Cooker, Mobile Pissure, B. W. Cooker, B. W. Cooke	2012 231.0 +1 - - - - - - - - - - - - -	A1 12.6 of 0.0 = Recovery Ferril - Recovery Ferril - Red 1 12.6 of 0.5 = Red 1 12.6 of	190.1 190.8 40.2 7.25 190.8 190.8 190.8 190.8 190.5 1.1 190.8
SI Gov Decling Americ Paccust Cash — Accust Europe (Accust Ger Eas	refron Unit Managemen A. dd (1200) 5 Ort – 483 7242 Ort – 48	Course of the Co	Didgited Life Assurance Co Lide Free F	December	29.47 97.1 +22 589 580 5	77 692.8 +0.6 — Conversité à Git Pe 58 339.5 +0.1 — Europeu Peté. — 12 130.0 -0.3 — Monaged Cash Peté 9 480.7 + 5.3 — Prof & Ford Peue — 4 198.8 -0.1 B.86 — Prof & Ford Peue —	2015 3917 43.0 - 2015 2
United Displaying Control of the Con	as Units) 5 64.66 84.000 90.28 • 1029 1 or 1 55.6 4 50 153.6 160.7 • 1029 1 or 1 1029 1 or	Parageol ready 200.2 201.4 +0.6 Extrator	100 Acc. 200.3 210.1 1-0 Acc. 200.3 210.1 210	American Acs 212.1 221.2 242.2 Centro Rel. New Bit Re Ace 273.1 287.3 4.7 Set Sec 4 29000 Acc 94.3 99.3 40.9 Bit Ace 277.1 5 5 5 5 5 4 5 5 5 5 5 5 5 5 5 5 5 5 5	00.60 52.25	7 710.5 0.5 1.7 1.8 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1	158.9 162.0 -0.8 - 100 138.3 145.0 -0.1 - 100 146.1 152.8 -0.4 - 101 138.4 143.6 -1.0 -
LINE S Admin: Enquire Intl Ind Intl Acc Withres 12 Crus Australia	Section Sect	0 Egrafy 554.8 597.1 4-0.00 590.0 6-0.00 6-	10 10 10 10 10 10 10 10	the of Ost, Heeste, O Pincases fiel Week, 1933 549010 Disposit: 1.5 of	### Process Ass. 231-660 5000 Provide Process Ass. 365	Prespecity Life A 1 Sessions Res St. N	089 102.1 +0.4
Pacific Can So Global I Panny ! Withtit 2 Hoose Challet Short D U.S. Go GR! Inc. St Re-	Section Sect	5 - January 1997 1997	200.0 200.1 201.0 201.	MAS Lib Frends	100.7 170.4 40.5 40.5 40.	0274 73708 Initial Equity 1	26.3 27.6 -0.3 -0.3 -0.3 -0.3 -0.3 -0.3 -0.3 -0.3
Wooh 2 What Stocker	1 227 25.72 25	Disposit	No Friderica Information 149.1 187.6 +0.46 = Earl 187.6 +1.10 = Press 187.6 +1.10 = Press 187.6 +1.10 = Press 187.6 +1.10 = 188.6 +1.10 =	State Stat	HIGE CO Ltd 170	0	- 200 201 201 00 - 20
Ballie int Eq Baring 108 Bio 071-214 Chemin Income	Second & Co Ltd 1988 1978 1 1 1 1 1 1 1 1 1	- Constant Life Pic 2 On Bulley, London ECAM 78A 071-532 5000 Cristics 2 On Bulley, London ECAM 78A 071-532 5000 Life Phasis 500 Exhaust Color Picture Color	Street S	Sammel Life Assur, Ltd Terrus, Assurction Oil -658 4565 Startogic Society - St	120.5 120.	AD 1973.1 Por maxinger in Agg. Colored Growth Acc. Suithing Acc. Suithing Acc. Suithing Access to the	
Buropei Japanei Macage North A Pacific Cent. 2 Pores har Port Fagi lot	ean Exempt 107 Bill Plant 30 707	Percent American 180.1 170.0 1.0	Equip	rectly Serials 3 201.8 494.1 — Loneclated Life professor Serials 5 204.3 494.1 — Loneclated Life professor Serials 5 204.8 — 19 100 Temple SS, Sarian St,	793.70 - 0.00 - 16.15	in 183.6 — European Initial Ing Rose Initial Ing Initial Ing Initial Init	
inguistic inguistic			nop Francis 155.8		16.40 +0.10 Grundi librargid 16.50 16.50 17.100 +0.50 17.100 +0.50 17.100 +0.50 17.100 +0.50 17.100 +0.50 17.100 +0.50 17.100 +0.50 17.100 +0.50 17.100 +0.50 17.100 17.1	4 160 8 -0.8 Distant Franch Distant	60. 50.0 10.0 60 - 10.0 10.0 10.0 10.0 10.0 10.0 10.0 1
5 Fore: Incorpe Accurs Flood in Flood in	Speak Concord State Section	Deposit Carbiel 122.0 123.1 -	Sis.	antly Arc.	162.10 149.70 -0.80 Security Managod 102.0 197.20 197.	6 0803 622200 Bulanced Growth Acc Smoothed Perf Acc	2004 231.0 C
Eclinio Beempt Mantago Japan I Ser Jap Late A Fide 20 Gestat	Case Section February Febru	1 - Contacy Life Assurance Company Life Parkers.	100mt/201	Ser 9	204.6 +0.1 - With Profits Pd. 132	184.55 40.50 50.000 50	10024 10003 08 -
Alongd P Floring 25 Cop UK Equ Bond	Post Proto	Salan Congressio 190.1 190.9 +1.2 Building	evetaniny	ner Co's Ser 6	P 1981.7 +6.1 - init Band Fs	17 (65.13) +1.11 — D-Harri Alpan	76.9 +03 - 81.0 +03 -

FINANCI

Proceeded Front Man.

Toronto de Distriction

TOSE ST FE MAN

- 10 mm (10 mm) (10

JERSEY RESELV

Name of the state
gar Anning the supplement Maria

The second secon

2 2 4 4 a

7.4

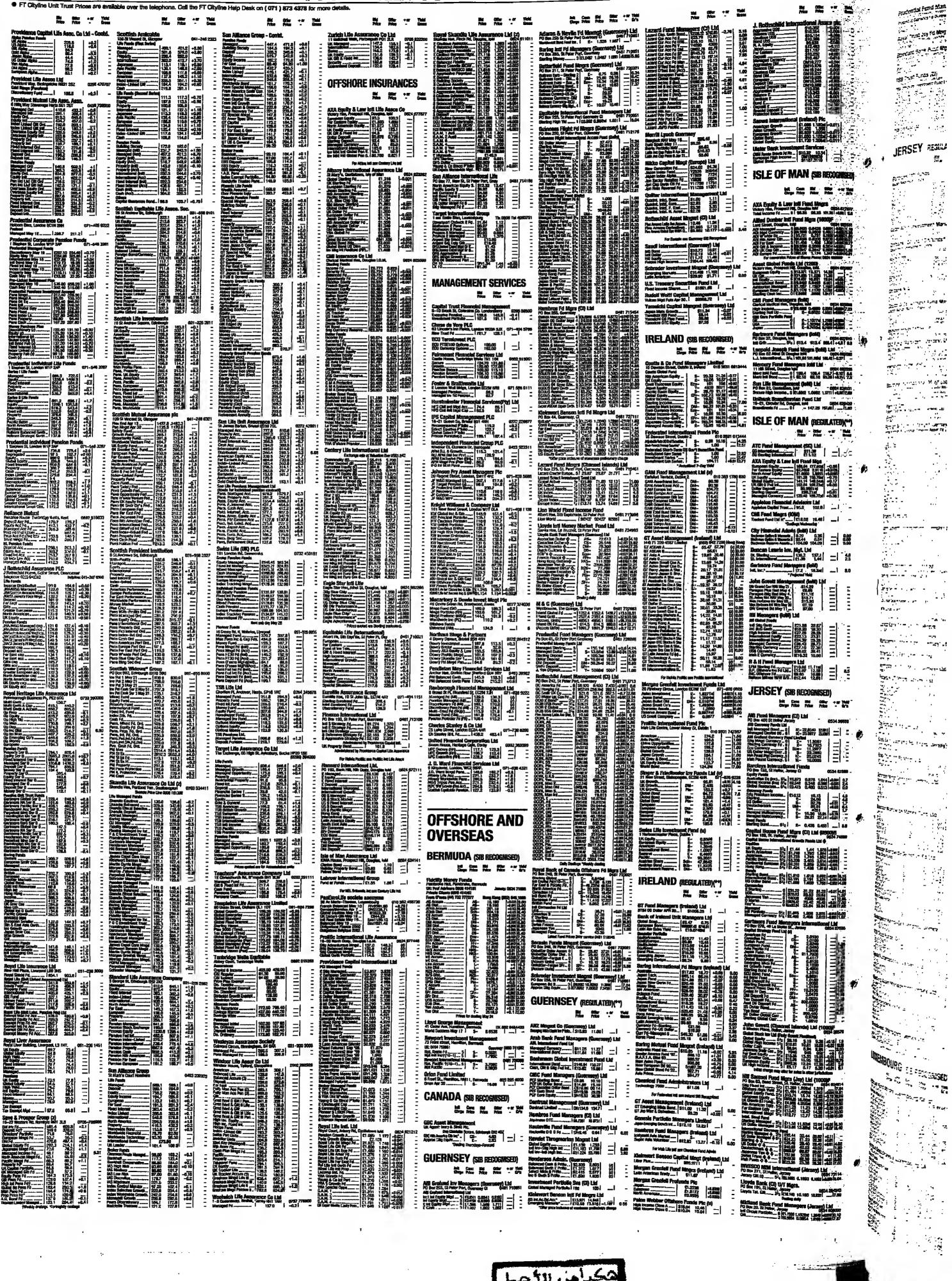
1.4

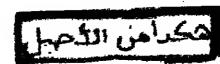
.- .

general and the same managed,

Section 19 April 19 A

FT MANAGED FUNDS SERVICE





State State

· 동남 .

er. Ililoto ut of

as 15 an he ill



FT Cityline Unit Trust Prices are available over the lelephone. Call the FT Cityline Help Desk on (071) 873 4378 for more details.	33
Presidential Fund Managers (Jersey) Ltd Sames See of The Price of See Case Price Price Price Price Of See Case Price Price Price Price Of See Case Price Pri	∯ Die Other + ar Yield Price Price - Grans
1000 1000	Pacific Growth Fishel Paidster Fund Particular Fund Particular Fund Pageot International Fund for
	NAV May 10
Bin Chin & Chin Chin Chin Chin Chin Chin Chin Chin	MAY May 20
The property of the property	Subst Covt. Inc. 1st. \$15.17
15.66 15.06 10.67 10.66 10.68 10.6	Real Estate Strategies Lid RES (normalism) — CS- 1000.26 -121.50 — Regent Fund Management Lid Reduction American
Roman State Transit Communication Communicat	Patient Arbitrage Co Life. \$3.00
Company Comp	Rosenwekt, Roditi & Co Row the-Uni Iwas W. Sep 7x _ Ruthschillé Asset Hamagement (Cl) Lotyo Pac Chebrol S160 01 _ Ruyel Trust Intil Money Market Fund
See Management and Service Commenced Union Linearity Commenced Union L	Tiching (SS Act; 110-7) S.1.0788 2.57 Tiching (SS Act; 110-7) S.1.0788 2.57 Tiching (SS Act; 110-7) S.1.0788 2.57 Tiching (SS Act; 110-7) S.1.0781 4.43
	Settre Futures Fund Diversified A Sits
Chesta Manay Number Front List	Saftra Republic Mairing Figure 5 All Areaston Inc. 100.105 100.
## 1935 17-76 19	SIRITY AND PRINCIPLE CONTROLLED TO THE PROPERTY OF THE PROPERT
Control Long Torms-1655 (20.52) 34,0108 -0.01 4.84 Dimension Long Torms-1657 (20.52) 34,0108 -0.02 1.84 Dimension Long Torms-1657 (20.52)	Schroder Investment Management Limited Cap US Seatorder 1 40 210.23 1.40 Seatorder Japaneses Warrant Fund Usefame NW May 22 51 53 - Schroders Asia Limited
First Act Prime by two CD LME AND May 06 CST-1.84 April 18 A	Selection Sele
Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderbranch Room Point (SECAV) Foreign & Colonical Mitigant (Jersey) Ltd Onderb	S2.70
St. Card	Schroder (Statitosythmut) Fund Japan Convent
Commonwealth Commo	Securiorized Ed Securiorized Contrology Ed Securiories Contr
Greece Frend Ltd	Cores 1680 May 2 (1) (2) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4
hougette how (by pro 180) 5.55 1.30 1.30 1.30 1.30 1.30 1.30 1.30 1.30	Clean B tiley 15 S10,95
MYESCO International Limited Foreign and the property Foreign and the	Socilitic Assert Management Inc Alpha SA4 Inc.
Simple Section Secti	Carl Speengler KAG Long Yook Water (Last Mark 1) 5702,84
Archer CD From Pt. 19.91 9.97 - 10.21 B.43 Transfer Theory 19.91 9.97 - 10.21 B.43 Transfer Theory 19.91	Talesco Fund Managers Unified Talesco Fd 57.24 Talget Fund New #151401 D DRI 10557.25 Blog 29
Bores May 20	Taburun Tractor Fund Limited Index May S9,097 - - Unide May S70,242 - Templetion Guillarith & Hamsberger Lid Gobol in: May 10 - 159 61 1002 - Then Thail Development Capital Fd
Distance Arm Search St. 1997 1,000 1,0	NAV May 19 \$12.36 The Thot-Fero Fund Let Navi May no \$20.17 The Their Prime Fund Limited
The Portugal Fund Limited States (See Specially Fund (U) Lights Specially	NW Way 21
Royal Trust brill Fd Mags Ltd.	The Tholland Ind Pund Ltd Heldly havenational Ltd Holdly havenational Ltd SSS.11 = SSS.11 = Thisties Currency Funds Times Deriginary Ago \$13.07 = SSS.11
Activation Act	Thoration Investment Management List Green Resider 50,94
Scarting Scattle Scarting Scattle Scarting	Stories Well 14. Stories Sto
Description of the state of the	Sel. 51 Sel. 51 Sel. 52 Sel.
Encropsion	Trans Global Investments Likelited Trans Global Inv Lif
155 Date: 50.473 (10.014) -0.02 5.6 His Guil Com 5.1150 10.5 Log 10	In Section (in 144-1). 6(1) 22 11 70 4.112 1.20 6.112 1.20 6.112 1.20 6.112 1.20 6.112 1.20 6.112 1.20 6.112 1.20 6.112 1.20 6.112 6
TSR Trust Funds (C)	(Ritra Hodge Panel List Runi Adetuus Lei Kiry 14. \$1812.76 — Ritra Sector Fund List Runi Adetuus Lei Kiry 14. \$1073.02 — Ritra Yuden Panel List
1/21/2 12/4 7/6 12/2 12/4 7/6 12/2 12/4 7/6 12/2 12/4 7/6 12/2 12/4 7/6 12/2 12/4 7/6 12/2 12/4 7/6 12/2 12/4 7/6 12/2 12/4 7/6 12/2 12/2 12/4 7/6 12/2 1	Red Address 1 Other 4 STORE 289
Second	File Victorers Fund Libration Hoyde Busk Fund Menagen Charmang List Mark Apr 80
Final Principle Final Prin	S. 10 3.65 57 58 57 58 58 59 58 59 58 59 58 59 58 59 58 59 58 59 58 59 58 59 58 59 59
100 100	and drown Fd
Section Color Co	Uphiles Infermational Investment Fd Ltd Johns Inf (155 Acc 81 2495
1.00 1.00	MAMARSED FUNDS NOTES Prices are to series observes indicator rust flore
Part	MANAGED FIREDS MOTES Prices Are to Some unique codewater indicated rust those designated 6 with no profit ruler to 155 delices. Yields % allow for all hydrog deproverse. Prices of cyclicid elder Journance Index from the profit provides delice Journance Index flows, endpect to capital gales Am on miss. 6 Distribution there of 16 these, by Periodic provides descrance plant. In Distribution there of 16 these, by Periodic provides descrance plant. In Distribution in the 16 these plants of 16 these plants o
Part	hang on a COIS Attachastop, in Collection treatment in Transformite Securities. In Oriented price includes all expenses securities in Oriented price includes all expenses securit agent's commission. If Provious days yets, \$5 Generating price. \$5 Supported. • White below, shrowy tax, \$7 Ex-subdivisor. \$0 Only available to cheritatic localise. •\ Vend collection above antisystem of the discusse. and are disclosed not 50 recognised. The consisting authentical tra- tement banks and Exprising Pleasants Services. Commission, letters. Control Exit of Instruct. Services Department Supervision Conventions, Jesusy, Florents Services Depar- ment; Localebourg: localist Manifest Internetous pasts.
Change Control Con	mur; Licentowy: legitel Monitoire Linembourgeds.

0732 770114 - 460 3-460 - 571 3-460

mik of Scottan

8/3

ns Tet Pic-Canenin

Inlien Hodge Bank Ltd 10 Wedner Place Carbit CF1 JEX Lam Read Pata Dop Acc. | 7.00

FINANCIAL

CURRENCIES, MONEY AND CAPITAL MARKETS

FINANCIAL FUTURES AND OPTIONS

FOREIGN EXCHANGES

Dollar up on rate speculation

SPECULATION ahout a rency climbed during Euro-tightening in US interest rates pean trading to just under pushed up the dollar against a DM1.64. rency climbed during Euro-pean trading to just under night at NFI 1.119 per D-Mark. There was strong speculation D-Mark weakened by increasing signs of aconomic slowdown in Germany, writes Peter Marsh.

The French franc traded comfortably, in spite of a fur-ther cut in French interest rates which promises to head off the possibility of a further faltering in economic activity.

Sterling gained against the D-Mark but lost ground against a dollar streogthened by a newspaper report that the US Federal Reserve might soon raise interest rates to damp

inflationary pressures. Meanwhile the D-Mark cootinued to sag, as investors weighed up the possibility of a economy this year.

In opite of the Bundesbank sounding the usual messages that it will think long and hard before cutting interest rates further, many in financial markets think a steady easing in horrowing conditions in Germany is assured in the coming

The dollar climbed nearly 1 pfennig on the day against the German currency, closing in London at DM1.6365. Investors took profits after the US cur-

£	IN	NEW	YORK
	Т	Laterat	Previou

May.24	Latest	Close
£ Spot 1 month 3 months 12 months	1.5345 · 1.5355 0.39 · 0.37pm 1.03 · 1.00pm 3.40 · 3.30pm	1.5425 1.5435 0.39 0 38pm 1.09 1.07pm 3.73 3.63
Forward preside dollar	me and discount	apply to the US

	STERLING INDEX				
			May.24	Previous	
;	201 201		00.6 80.0 80.6	01.1 01.1 81.1	

10.00 11.00 Koon 1.00 2.00 3.00 4.00	am am pm pm pm		80.8 80.5 80.5 80.5 80.5 80.5	81.1 61.0 81.1 81.1 81.0 81 0 80.6
C	UF	REN	CY RA	TES
May 2	ų.	Bank 4 rate	Special * Uraning Highls	European † Comency Volt
Sinting U.S Dollar Canadian S Austrian Sci		3.00 5.46 6.75	0.909425 1.41170 1.76792 16.1400	0.780583 1,19448 1,51039 13,7816

Belgian Franc	6.50	N/A	40.2592		
Denish Krode	8.75	8.77160	7 49680		
O-Mark	7.25	2.29369	1.95891		
Dutch Guilder	6.50	2.56774	2.19350		
French Franc	10	H/A	6.59459		
Italian Lira	17 05	2079.63	1778.80		
"Japanėsa Yeri	2.50	155.993	132,238		
Norway Krons	-	9.66450	8.26863		
Scanish Pesuta		174 670	149,319		
Swedish Krong .	17.50	10.3619	8.73864		
Swiss Franc	5.00	10.3619	1.76362		
Greek Drach	19	IVA	265.122		
Irish Pust	-	RVA	0.001213		
A Bank cate refers to central trank discount rates. These are not quoted by the UK. Spoke and leakend. *T European Commission Calculations. *All SUR pater are for May 21					

CURRENCY MOVEMENTS

May 24	Bank of England Index	Morgan Guaranty Changes %
Sterling	80.6	-29.20
U.S Dollar	64.4	-13.70
Canadian Dollar	95.0	-7.32
Austrian Schilling .	113.5	+15.67
Belgian Franc	114.8	+1.10
Danish Krone	117.1	+11.26
0-Mark	123.1	+30.31
Swites Franc	110.B	+18.92
Dutch Guilder	118.6	+20.49
French France	109.1	-7.00
Jra	82.9	-32.48
Yen	172.1	+112.08
Peseta	91.3	-30.25

1960-1962=100, Bank of England (Bas Average 1985-100 "Rubes one for May 21

May 24	8	\$
Argenthoa	1.5295 - 1.5325	0.9990 - 1.0000
Auntralia	2.2120 - 2.2140 60040.6 - 60080.1	1,4485 - 1,4485 39185.9 - 39186.1
Finland	8.4260 - 8.4775 336.200 - 342.950	
	11.8310 - 11.8435	7.7290 - 7.7270
ForeerStre	2502.00 - 2504.00 1224.90 - 1244.95	1622.00 - 1624.00 798.60 - 805.00
Kerwall	0.46156 - 0.46250	0.30120 - 0.30170
Matayata	01.60 - 51.70 3.9256 - 3.8360	33.60 - 33.70 2.5655 - 2.5668
Marico	4.7795 - 4.7830	3.1220 - 3.1240
N.Zooland Saudi Ar	2.8155 · 2.8195 5.7385 · 5.7486	1,8390 - 1,8415 3,7496 - 3,7505
SACTOR	2.4710 - 2.4780 4.8915 - 4.9025	1.6145 - 1.6155 3.1960 - 3.1975
3.4 Fm	7.0960 · 7.1115	4,6356 - 4,6450
Talwan	39.55 · 39.70 5.6170 · 5.6300	25.85 · 25.95 3.6715 · 3.6735

Hitting the headlines in a quiet day's trading was the decision by the French governmant to cut the Bank of France's intervention rate to 7.5 per cent from 7.75 per cent. The Freoch franc traded at FFr3.3665 per D-Mark after the news, from FFr3.3661 earlier. It closed at 3.865, little changed on the day.

Sentiment about the outlook for the D-Mark was helped somewhat by tough commeots from Mr Theo Waigel, the German finance minister, about the government taking "decisive action" next year to cut its mounting budget deficit. How-ever, that failed to prevent the yen hitting another new high against the German currency. It closed at Y67.37 per D-Mark, compared to Y67.90 oo Friday

The guilder also hit a five year peak against the D-Mark,

There was strong speculation that the Dutch monetary authorities might soon decide on a further bout of interest rate easing.

After the pound's 4 pfennig rise against the Germany currency last week, it continued its rise yesterday, closing in London at DM2.5125, up half a pfennig. Against the dollar sterling closed in European hours at \$1.5350, just over half

a cent down on the day. Foreign exchange dealers took little ootice of a European Community report over the weekend approving the idea of new checks to stop a repeat of last year's curreccy crisis. However, the absence of significant strains in the European exchange rate mechanism pushed the escudo slightly firmer at the top of the grid. It closed at Es94.60 per D-Mark versus Es94.70 at the close on

EMS EUROPEAN CURRENCY UNIT RATES										
	Ecu Curitrii Rutus	Currency Amounts Against Ecu May 24	% Change from Central Factor	% Spread vs Westest Currency	Olvergence Indicator					
raguese Escudo	192.854 154.250 0.808638 2.19672 40.2123 1.94964 7.43679 6.53883	185.559 149.318 0.801210 2.18350 40.2592 1.95891 7.49880 8.59450	-3.78 -3.20 -0.32 -0.13 0.48 0.83 0.06	4.82 4.10 1.70 1.00 0.74 0.38 0.02 0.02	63 55 46 12 1 26 34 42					

CO CHINT	ni rawa	set by	the Euro	opean Co	Periodoria.	. Currenc	100 J. ii	n descendi	ng relative	STANGER	Percents
hances	me te	COL 8	positive	ctumpe o	despitos a	WEST C	unincy.	Divergence	shows the	n region be	utereen t
orearis:	the own	centage	difference	S DECIME	o the ac	tual mari	kest and	Ecu central	rates for	S CULTURE	cy, and (
EDITION	permit	ted pure	centage d	entation o	al marcu	HENCY'S I	market n	ate from the	Ecu centr	giraba.	
7/9/92)	Sterline	and it	allee Lire	suspend	ed from 1	ERML Adj	astrona.	calculated	by Financia	I Times.	

May 24	Day's aprend	Clase	One month	pa.	Three months	P.I.	
	1.5290 - 1.5375	1.5345 - 1.5355	0 39-0,37срт	297	l 03-1.00pm	2.64	
nada	1.9335 - 1.9525	1.9385 - 1.9395	0.28-0.20cps	1.49	0.58-0.42pm	1.6	
fierlands .	28020 - 28175	2.8075 - 2.8175	4 · 12003	-1.60	5-40s	-1 G	
elum	51,25 - 51.70	51.60 - 51.70	3-8c6s	-1 28	14-180s	-1.24	
emark	9.5770 - 9.6175	9.6075 - 9.0175	1-2-31-precis	-2.81	474-71-019	-25	
eard	1.0245 - 1.0290	1.0280 - 1.0290	0.13-0.16cds	-1.69	0.31-0 360%	-1.30	
many	2.5060 - 2.5105	25100 - 25150	3 ₂ -1 ₂ ptdls	-2.09	%-1 ¹ e0ts	-1.59	
togat	236.55 - 239.00	238 00 - 239 00 (152-163 0 8	-7.92	427-453dis	-7.30	
bi	190.40 - 191.60	191.20 - 191.50	99-111cdis	-6.58	244-271mb	-5.38	
	2275.00 - 2286.30	2279.00 - 2260.00	9-11Bredia	-5.26	25-27(8)	-4.56	
ау	10.5580 • 10.6125	10 6025 - 10.6125	4-24-oreds	-1.63	24-4408	-1.36	
ve	8.4290 · 8.4695	8.4525 - 84625	1 5 1 kedis	-2.22	34-35-06	-1.60	
den	11.1970 - 11.2540	11.2000 - 11.2100	2-312 oracis	-2.95	64-712ths	-2.43	
10	168.75 - 170.50	168.75 - 169.75	12-529000	3.10	14e-1pm (2.51	
ria	17.58 - 17.70	17.57 - 17.70	114-21400005	-1.19	41g-6dis	-1,15	
zerland .	2,2526 - 2,2690	2.2525 - 2.2625	4000-03	0.68	12-Japm	0.66	
	1.2780 · 1.2825	1.2810 - 1.2820	0.22-0.26cds	-2.25	0.49-0.55dis	-1 62	

DOL	LAR SPOT	- FORWAR	RD AGAIN	ST T	HE DOLL	AR
May 24	Day's spread	Case	One month	% p.a.	Pared Crimonn	p.a.
rway ance reded part stria vitzerland .	6.8760 • 6.9345 5.4780 • 5.5300 7.2775 • 7.3425 110.20 • 110.80 11.4630 • 11.5475 1.4680 • 1.4790	1,5345 - 1,5355 1,4940 - 1,4950 1,2515 - 2625 18310 - 18320 23.67 - 33.70 62600 - 6,5650 1,5360 - 15370 154.69 - 195.00 124.69 - 195.00 124.69 - 195.00 124.69 - 195.00 1,5377 - 7,3023 1,5377 - 7,3023 1,5377 - 7,3023 1,5378 - 1,5378 1,5378 - 1,5378 1,5378 - 1,5378 1,5378 - 1,5378 1,5378 - 1,5378	99-104cds 9:50-10 20treds 2:35-2:90creds 2:35-2:46cds 3:45-4:05creds 0:01-0.02yds 4:15-4:45gods 0:26-0.30cds	2447 4447 4447 11974 4447 11974 4447	1,83-1,00pm (L97-1,52pm 0,49-0,55ds 1,70-1,75ds 21,00-3,180ds 7,60-8,70ds 1,76-8,75ds 230-22,80ds 5,30-7,30ds 5,30-7,30ds 9,00-10,0ds 9,00-10,0ds 10,55-11,35ds 0,71-0,75ds	2.54 4.14 -1.85 -3.77 -7.86 -5.17 -4.23 -8.18 -7.25 -4.21 -0.00 -1.99
mmercial r rward pren	1.1930 • 1.2005 rates taken forwards on misses and discounts	1.1975 • 1.1985 the end of London tra apply to the US post	0.52-0.51cpm adorg, † UK, Ireland kar end not to the k	5.16 and Ecu odividual	1.28-1.26pm are quoted in US of currency.	4.24 силепсу.

May 24	Short term	7 Days notice	One Month	Three Months	Stx Months	One Year
Sterling SS Dollar SS Dollar SS Dollar Son, Dollar Sun, Dollar Sun	51-2-3-4-3-4-3-4-3-4-3-4-3-4-3-4-3-4-3-4-3	5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -	513 - 513 3-6 - 3-6 4-1 - 4-2 5-6 - 5-6 7-1 - 7-6 5-6 - 7-7 10-8 - 10-4 7-5 - 7-5 8-1 - 2-2 21-2 - 11-5 11-4 - 14	6 · 57 3.5 · 3.6 5.6 · 45 6.6 · 5.6 7.4 · 7.4 1012 · 1014 7.5 · 7.4 8.2 · 0 3.5 · 3.5 8.2 · 0 3.2 · 21.5 11.4 · 13.2	5 3 3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	6.1 6.1 3.1 3.1 3.1 3.1 3.1 3.1 3.1 3.1 3.1 3

			EX	XCHANGE		CROSS		RATES				
May.24	£	5	DAK	Yen	FR.	S fr.	H FL	Ura	CS	B Fr.	Pta	Ecu
5	1.	1.535	2.513	169.3	8.459	2.256	2813		1,939	51.65	181.4	1.262
DM	0.651	0.611	1.637	110.3 67.37	5.510 3.366	1.471 0.899	1.833		1.263	33.65	124.7	0.838
YEN	5.907	9.067	14.64	1000.	49.95	13.34	16.62	907.3	0.772	20.55 305.1	76.1B	0.510 7.572
F Fr.	1.182	1.815		200.2	10.	2.670	3.326	2696	2.293	B1.07	226.3	1.518
O Fr.	0.443	0.680	1.113	74.98	3.748	1	1 246		0.859	22.87	84.77	0.668
N FL	0.355		0 883	60.18	3.007	0.803	1	610.5	0.689	18.36	68.04	0.456
Live	0.439		1.102	74.25	3.710	0.990	1,234	1000.	0.850	22.65	83.95	0.562
C S	0.510		1.296	67.31	4.362	1.165	1.451	1170	1	36,64	98.71	0.661
B Fr.	1.935	2.972	4.865	327.8	16.30	4.372	5.446	4414	3.754	100	370.6	2.482
Pta Ecu	0.522 0.780	0.802	1,313	88.45 132.1	4.418 0.588	1.180	1.470	1191	1.013	26.99	100.	0.570
						1.701	2.194		1.512	40.29	149,3	1.
Yen per	1,000:	Franch	Fr. per	10: Lira	per 1,00	00: Belg	ian Fr.	per 100	: Peseta	per 10	0.	

LIFTE LONG GILT FUTURES OPTIONS 250,000 GRaps of 100% Estimated volume total, Calle 422 Pois 728 Previous day's open Int. Calls 9324 Pois 4476 LIFFE EUROMANK ÖPTÖKS Diğin palais of 190% 0.01 0.02 0.04 0.08 0.15 0.27 0.44 LONDON (LIFFE) Close High Low 104-07 104-11 103-30 103-12 103-12 103-04 ed volume 29630 (84363) i day's open int. 77026 (77924) US TREASURY BONDS 8% \$100,000 320ds of 160% Close 108-29 108-22 High Low 93.87 93.68 94.10 93.93 93.50 94.04 77827 (77185) sen int. 164690 (174791) Closs High Low 98.35 98.41 98.18 9 98.68 98.71 98.50 9 wolume 5154 (5622) day's open int. 19936 (20041) Close High Low 106.87 108.80 106.72 105.95 105.98 105.78 Om 100ths of 100% Close High 99.56 99.75 99.34 99.49 Close High 34.07 94.10 93.97 94.04 93.96 93.70 Est. Vol. (inc. figs. not shown) 34830 (38501) Previous day's open int. 312588 (315498) High Low 96.64 96.53 96.45 96.44 96.92 95.39 95.76 95.73 Est. Vol. (Inc. Tigs. not shown) 876 (531) Previous day's open Int., 18059 (17922) Close 92,55 93,24 93,52 93,82 92,56 93,25 93,53 93,84 Close 94.95 95.41 95.88 95.78

		SUNT. SOUTH	Sobjective Porocitoria
LOW	Prev.	116 1.14	
92,49	92.54	117 0.25	0.90
83,19	93.24		
93.46		118 0.01	0.49
	93.52	118	0.24 0.41
93.76	93.83	120 .	0.10 0.24
4131		Open Int 141,038	100,210 22,407
5763 (257	7181	Estimated volume 41,243 †	Total Open Internet E46 626
a. ac 6-a.	,		
RANC		T All Yield & Upen magrest b	igures are for the previous day
94.85	Prev.		
85.25	94.91		
	95.31	DA	CE LENDING D
95.55	95.57	DA	SE LENDING R
95.65	95.67		
419)		%	9.
2113 (428	1331	Adem & Company 8	Cyprus Popular Bank6
RATE	_	Addit a Company 0	Duncan Lawrie 6
HAIE		Allied Trust Bank 8	
		AIB Bank 6	Equatorial Bank pic 6
LOW	Prev.	OHenry Ansbacher 6	Exeter Bank Limited 7
89.61	89.64		
90.12	90,14	B & C Merchant Bank 13	Financial & Gen Bank 7
90.34	90.35	Bank of Baroda 6	●Robert Fleming & Co — 6
90.48			
	90.52	Banco Bilbao Vizcaya 8	Grobank8
261)		Bank of Cyprus 6	●Guinness Mahon 6
1428 (513	41)	Bank of Instand 8	Habib Bank AG Zurich _6
	•		
		Bank of India 6	CHambros Bank
		Bank of Scotland 8	Heritable & Gen triv Blk. 6
1	B	Berdays Bank 6	
2802.0	Prov.		CH Semuel 6
2802.0	2813.0	Brit Bk of Mid East 6	C. Hoars & Co
2829.0	2836.5	GBrown Shipley0	Hongkong & Shanghal 0
	2857.0	CL Bank Nederland0	
732)			Julian Hodge Bank 6
287 (518)	7:30	CRIDank NA6	CLEOpold Joseph & Sons 6
10.0		City Merchants Bank6	
dan adam	-		Lloyds Benk 6
sing prices .	SHOWN.	Clydesdale Bank 6	Moghraf Bank Ltd 8
		The Co-operative Benk6	McDonnell Douglas Bk. 8
		Coutts & Co 8	Martin Coupes Dr. 6
		Ometal consula	Midland Bank6
•		Credit Lyonnels 6	
6-mG).	12-mth.		
1.5159	1.5010	•	
_			
iG			

Money Market LETTE SOMO PUTSAES OFTICK CHESSO, SOO points of 190% Trust Funds Calis-estiteme Sep 0: 1.40 1.7: 1.97 1.4: 0.79 1.1: 0.56 0.9: 0.40 0.7: 0.27 0.5: 0.17 0.4: Strike Price 9425 9425 9475 9500 9525 9550 9675 9600 Strice Price 9300 9350 9400 9450 9500 9550 9650 Puts-Sep 0.36 0.53 0.75 1.02 1.36 1.73 2.13 2.57 0ec 1.79 1.47 1.18 0.93 0.72 0.55 0.41 0.30 0.02 0.11 0.32 0.56 0.80 1.05 LEFE ITALIAN CONT. BORD (STP) FUTURES OPTIONS Line 200m 1000s of 100% Strike Price 9600 9850 9900 9950 1000 1005 1010 1018 Sep 0.62 0.42 0.27 0.17 0.10 0.06 0.03 0.02 **Money Market Bank Accounts** PHILADELPHIA SE E/S OPTIONS E21,250 (cents per E1) Jun 0.23 0.85 1.47 2.83 4.73 6.93 9.25 Open Sett price 117.00 117.16 118.70 116.90 116.16 116.38 Open Int 164,971 55,901 5,596 +0.04 -0.04 -0.02 -0.03 52,266 47,108 38,345 25,190 93.38 22,037 24,830 184 12,718 1866.0 1849.0 1846.5 1866.5 +32.0 +32.0 +32.0 +32.0 1868.0 1850.0 1818.5 1862.0 1837.0 e 113.28 113.60 +0.06 1 mated volume 1,515 † Total Open Interest 12,125 OPTION ON LONG-TERM FRENCH BOND (MATIF) June 1.14 0.25 0.01 0.61 1.03 1.54 0.90 0,49 0.24 0.10 100,210

BASE LENDING RATES

	6
Adam & Company	8
Alled Trust Bank	8
AIB Bank	6
Of lenry Ansbacher	6
B & C Merchant Bank	13
	8
Banco Bibao Vizcaya	
Bank of Cyprus	8
Bank of Insland	Ř
Bank of India	
Bank of Scotland	
Berclays Bank	
Brit Bk of Mid East	Ĕ
GBrown Shipley	
CL Bank Nederland	
CRIbank NA	
City Merchants Bank6	
Chyclesdale Bank	
CAYCOSCIONO DELIK	•

Mount Bankin Office Brothers Rodourghe Bank Ltd ... 6 Royal 6k of Scotland ... 6 Smith & William Secs Standard Chartered 8

90,721

13,117

Yorkshire Bank 8

Members of Britisi

CROSSWORD

3.75 4.500

4.38 | 6.00 | Mg

360

Save & Presper/Bobert Fle

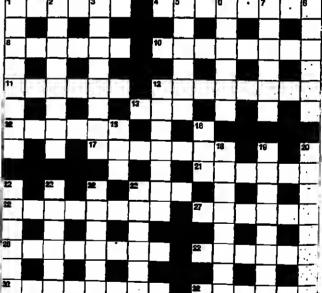
7.76 10.000-100 day notice . 7.76 10.000-100 day notice . 8.50 Velted Dominions Trust Ltd

J. Heary Schroder Wagg & Co Ltd Special Acc. 3.75 2.815 3.60 Man Meebern Trans High Interest Cheque Acc Ca Manycody, Phyloget PL 152 573 72 15,000-1,390 5.20 4.12 5.61 8,000-1,390 5.20 4.73 5.61 1,000-2,488 5.00 4.75 5.00

15.25 . 3.94 | 5.36 | Ot

Tyndel & Co Ltd

No.8,159 Set by FETTLER



ACROSS
1 I leave doctor's charge

that's quite clear (6)
4 War mounts, with attacks

13 Preclude a good deal lacking 19 Criminal methods affording

wooily jumper (3-4)
21 Commission a sovereign cur22 A young bird, one that's curirency (6) 25 What's local in Pinner? (3)

26 Whar's local in rinner; (3)
26 Perverting German id leads to vivid imagining (8)
27 British tribesman's armlet (8) 28 Watch! I'll do it again (8) 29 Watch! I if do it again (8)
29 Worry audibly about right
part of sentence (6)
30 Naval college (non-U) produces a filer (4-4)
31 Good health oeeded for what

MPs do (6) DOWN I There's little account in disturbing kipper-smoker's rest

2 A period in a long final (8) 3 Flimsy gown, rent in leg?

Gosh! (8)
5 Here's hock for each picnic

a Remember to phooe back again (6) 7 Onr railways seem decrepit - often said to be

4 War mounts, with attacks overcoming resistance (8)

2 Standard period of time for high birth (2)

10 After a note, to telegraph is out unfriendly (8)

11 With rain about, is the grape dried for the table? (8)

12 Wine case for 14 (holding English hire) (8)

13 Preclude a good deal lacking.

rest (8) profit (3)

Means of access (8)

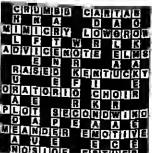
14 Cartel operating in Bordeaux

20 A partisan stampeded neat-

(6)
17 One of the flock, knitting wee 22 Loved tot in tangle? To the

ous (6)

24 Preserve them with myrrh for example (6)
25 Put in Strine perhaps (6) Solution to Puzzle No.8.158



MONEY MARKETS

Lower French rates

THE Bank of France set the tooe for lower interest rates throughout Europe by shaving a quarter point off its intervention rate, writes Peter Marsh. The French authorities' free-

dom for manoeuvre was helped by the continuing weakness of the D-Mark which gave further signs of losing its role as the key currency within the European exchange rate mecha-

UK clearing bank base lending rate a per cent from January 26, 1993

At the close of trading last night in Europe three-month interest rates in four countries the Netherlands, Belgium, France and Ireland - were below the corresponding figure

in Germany. This unusual state of affairs highlights how some countries are finding they can institute easier borrowing conditions, without necessarily having to wait for the Bundesbank to pave the way.

The Bank of France cut its intervectioo rate to 7.5 per cent from 7.75 per cent at a securities repurchase tender

held yesterday. in Belgium, the central bank took similar action, cutting its seven-day advances rate by 10 basis points to 7.2 per cent following the cut announced last Wednesday in its central

rate, also by 10 basis points to 7.2 per cent.

Signs that lower interest rates across Europe will become increasingly necessary during the rest of the year were underlined by a gloomy statement from Mr Philippe Maystadt, Belgium's finance minister, warning of "negative growth" for the European

With German three-money money being quoted at 7.5 per cent, the equivalent rate in the Netherlands last night was 6.93 per cent. In Belgium, France and Ireland, the corresponding interest rates wera 7.12 per cent, 7.31 per cent and 7.44 per

The monetary authorities' room to reduce borrowing rates in these countries is directly linked to yet more signs of D-Mark fragility. The German currency, third from the bottom in the ERM grid, has a divergence indicator of minus 23 per cent against lts central Ecu rate, compared with plus seven per cent two

weeks ago. lo Britain, the Bank of Eogland provided the mooey market with £950m of early assistance after forecasting a liquidity shortage of around £1.25bn. The Bank bought £950m of bills for resale to the market. Later on, the Bank took total assistance for the day to £1.4bn.

11.00 a.m. May 24)	3 months US dollars	6 months	US Dollars
Did 3/4	offer 3.2	bld 3/4	offer 3/4
The fooing rates are the offered rates for 610m o	arithmetic means rounded quoted to the market by five local Westminster Bank, Bar	to the nearest one-	sideenth, of the
			- Dank Danner Si

Contracts tracked on APT, Clos

1-mth. 3-mth. 1,5312 1,5249

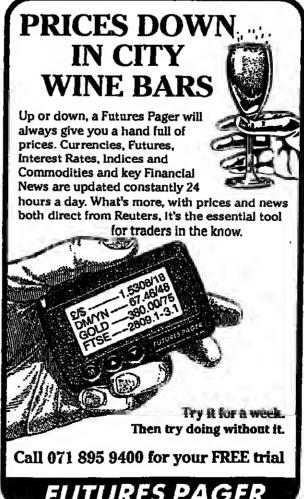
POUND - DOLLAR FT FOREIGN EXCHANGE RATES

		MONE	Y RAT	E\$			
NEW YORK			Treasury	BES and B	onds		
Lunchtime		One worth 2.98 Three year 4.59					
Prime rate	5	Three mon Stx month One year	h	3.09 Sev 3.26 10- 3.49 30-	yearyearyearyear	5.82 6.18 7.03	
May.24	Overnight	One Month	Two Manths	Three Months	Şkx Months	Lomberd Intervention	
FrankfurtParis	7.75-7.85 713-8/4 5-5-4 7.18-7.31	7.55-7.65 73-75 54-54 7.02-7.17	7.40-7.55	7.30-7.40 7.2-7.2 5.4-5.3 8.87-6.97	6.95-7.1D	8.50 7.50	
Tokyo	315 37 1114 1114 74 7 2	10 ¹ 2-102		1012-105 ₈			
Outstiri	712-715	712.758	7.4-7.4	残弱 RATE	74-734		
	LONL	7 days		Three	3	Too	

Months

May 24 Yadır Interbank Offer
Interbank Big
Stenling CDs.
Local Authority Depa.
Local Authority Bonds
Discount Mid Depa.
Company Deposits 55 57 512 512 8 51₂ 51₄ 2.86 413 438 74 3.13 44 44 74 74 3.48 414 414 414 618

Treasury 98ts (sall); one-month 5½ per cent; three months 5½ per cent; str months 5½ per cent; three months 6½ per cents and per cents for period key 26, 1983 to Jame 22, 1983 Schemes 0 6 file 7 25 p.c. Perference make for period April 1, 1983 to April 30, 1983 to Scheme M&W 8.018 p.c. Local Authority and Finance Houses seven days notice, others seven days fractice three seven for the period three periods of the three seven file 1, 1983 Scheme M&W 1, 1983 Scheme M&W 8.018 p.c. Local Kentholium for the periods 5½ per cents file 1, 1983 Scheme M&W 1, 1983 Scheme M&W 8.018 p.c. Local Authority and Finance Months 6½ per cents file 1, 1983 Scheme M&W 8.018 p.c. Local Authority and Finance M&W 9.018 p.c. Local Authority B.C. Local



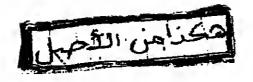
FUTURES PAGER

-- 1,040 -- 1,160 -- 1,070 -- 610 -- 536 -- 580 -- 563 -- 563 -- 563 -- 1,060 -- 1,860 -- 1,860 -- 1,860

-3 +45 +18 -10 -30 +13 +13 +13 -40

:he ich

as 15 an he ill



			V	VORLD STO	CK MARKETS
Alestrica Namy 24 Sear + or -	PRANCE (continued)	GENERALLY (COMMISSION	METRICAL Spreading	SMESEN positioners	
Austrian Arthress	Sept	Designation Designation	May 24 Pis. -er- Bole Wessenen	Stary S4	Campaign
JAPAN	Test	Step 24	Marco 24 Yem +er- Valine Corp. 728 -17 Individe Pharm 2,110 -109 Individe Pharm 2,110 -109 Individe Pharm 2,110 -109 Individe Pharm 2,110 -109 Individe Pharm 1,270 -9 Individe Pharm 1,270 +20 Individe Pharm 1,340 -10 Individe Pharm 1,340 -10 Individe Pharm 1,340 -10 Individe Pharm 1,080 -10 Individe Pharm 1,270 -10 Individe Pharm 1,270 -10 Individe Pharm 1,270 -10 Individe Pharm 1,320 -2 Individe Pharm 1,320 -2 Individe Pharm 1,320 -10 Individe Pharm 2,270 -60 Individe Pharm 2,270 -60 Individe Pharm 2,270 -60 Individe Pharm 1,270 -60 Individ	ADSTRALLA (poerliment) Bing 29 Land Lame	Prince P
1.760 10 10 10 10 10 10 10	Kursia Water Sati Sati	Mitto Duratio	Topotha Richtor 1,710 Topotha Richtor 2,720 Topotha Richtor 3,520 Topotha Richtor 3,520 Topotha Richtor 4,721 Victor (AC) 1,140 -10 Warrante Corp. 1,190 +20 Varrante Richtor 818 Varrante Richtor 6,721 Varrante Richtor 6,722 Volumber Richtor 6,723 Volumber Richtor 6,724 Volumber 8,724 Volumber 8	Creat Eagle 4.03 -0.000 -3.75 -0.6 -0.000 -20.30 -10 -0.000 -10 -0.000 -11 -0.0000 -11 -0.0000 -11 -0.0000 -11 -0.0000 -11 -0.0000 -11 -0.0000	IS THIS YOUR OWN COPY OF THE FINANCIAL TIMES? Or do you rely on seeing someone else's? Every day the FT reports on the topics that matter to people doing husiness every day, in and from Europe. We cover the latest European, U.S. and international news, and analyse the implications from a European perspective. In fact you'll find far more than finance in the FT. No surprise then, that the Financial Times is read by over four times as many senior European businessemen and women as any other international newspaper.* Make sure you're one of them by getting your own copy of the newspaper delivered daily to your office. To Colon lin. France of Too: (Europe Onde) Nacksangapata A. (200 President/Men I. Germany, 1c) + 3400 [Soide, Ta. 1819]. Flash 1870 [Soide Times is read by Nacksangapata A. (200 President/Men I. Germany, 1c) + 3400 [Soide, Ta. 1819]. Flash 1870 [Soide Times is the doponic. **Special Introduction of the following and polying is but I save ten I to dishe up to 31 days not have provided and the substitute to the Proceeding of the Special Company (1) of the Special Compan

		TWI	<u>ELVE I</u>	<u>FREE I</u>	SSUES	<u> </u>	
	DE	IVE	RED T	O YOU	UR OF	FICE	
To: Grew Tol. +4%	Han, Ficaso A ISSSU, Th	416193. F	Europe) Gortal ics. + 4969 \$90	H. Nibelian, com 54-18.1.	starz 3, 6000 F	millun/Mais	1. Germany.
YES, I wo	कोर्ड हैंग्रेट कर वर्ड कर्डाटिक एक गाँधिक	write to the	Figureal Tir	mes, and cojes o my subscriptor	ny fire 12 isan n for 12 month	s lee. I will at the follow	alice up to 21 ang rage.
America	UES 5.500			Leventour	LFR 12.500		PTS 56,000)
Beigham			DM 710		DFL RS0		SEK 2,800
Denous k	DRK 3JQJ					S= rizerland	
Embered.	PLOV I SWIT	fach.	1 17 445 000	B-record	EN: 57,000	Timber	77 1 250 000

igham igham nasark deod 3 8 isi	DRK 33 PMK 15	Cu Greece*	DM 710 DR 22300 LIT 560,000	Norway		Sweden Sweden	PTS 56,00 SEK 2,80 d SFR 66 TL 1,850,00
l me	<u> </u>	Euros and/Vi	a Account	~—~~	Expiry D	æ: <u> </u>	
			1 1	1 1	11		1 1

									1	ш
*Corres season repres ** ! so retal self 500.	AND PERSON									
To selective as Tel-SENTILLE		ph America	restact New	los Id	75357	l. Fat S	WE2597	For East	(e nter	Tokyn

Please tick here for more information about 6 and 24 more a country and fleed opposite.	nth subscription rates, or ra
(Plane specifi)	
Name	Title
Согарану	Tel
Address to which I would like my Financial Tables delivered	
Segrature No reder accepted without a scenature.	Desr

13-3; 8-1; IA Sear 39-1; 33-4; IS S F Est 29-1; 33-4;

1993
High Law Stock
1992 14% Cultum
1992 14% Cultum
1994 14% Cultum
1994 12% Current Englis
1985 12% Current In
1994 1314 Curtis In
11% 7% Cytens Syn
11% 5% Cytens Syn
14% 8% Cytens Syn
14% 8% Cytens Syn
14% 8% Cytens Syn

27 201 1.10 11 7133 1255 0 18 4.9 2 21 0.55 2.0 18 2246 0.50 23.5 2 4 1.56 2.7 19 55 18 119 0.60 2.8 12 1250 0.88 8.8 1.24 7.8 32 2.88 4.4 17 6816

- D -

大學行行者 大大學工程大大大

+14

.lg

- C -

4 DM close May 24

计分数分子并存储 计设备法 7.5 10 653 351 49 94 35 65 37 7 155 55 37 7 155 55 37 7 155 55 37 22 60 13 45 45 15 29 34 45 27 15 5 5 45 15 29 31 15 29 264 7.5
0.32 4.9
0.20 3.7
0.46 1.8
0.46 1.8
1.60 7.1
1.46 2.7
1.80 3.2
1.50 3.6
1.46 3.2
1.50 3.6
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50 3.2
1.50

-14 -14 -18 -18 · 中央の大学の大学の大学の 「日本の」 「日本の 「日本の」 「日

| Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Company | Comp 444 444 H

Total Anti-الم المالياتات المالم المالمالية

544, 481, SATX 3.875
381, SATX

ት ት

21 1- Fill Iread
17- 15- Fill Iread
17- 15- Fill Iread
17- 17- Iread
17-

بأراء المراه المالية ا

13½ Klår R Dush 22½ K Mart Op 28 Kin C 4.5 50% Kaneb Pr Pe Kaneb Pr 29 Kaneb Pr 22 Kaneb Sarv 22 Kaneb Sarv 23 Kaneb Sarv 23 Kaneb Sarv 20 Kan

201-27-1-38P Inc.
45: 27-2 CM Proprior
26: 21-2 27-3 CM Proprior
26: 21-2 27-4 CM Proprior
26: 21-2 27-4 CM Proprior
26: 21-2 27-4 CM Proprior
26-1-2 27-4 CM Proprior
27-4 28-1 CM Proprior
27-4 28-1 CM Proprior
27-4 28-1 CM Proprior
27-4 C

3.50 7.5 80 3.50 7.5 80 0.51 1.5 25 748 22 748 0.06 1.9 41 1.56 3.2 13 466 6.00 7.9 250 7.85 7.7 250 1.36 2.9 16 125 1.36 2.9 16 125 1.36 2.9 16 125 1.36 2.9 16 125 1.36 2.9 16 125 1.36 2.9 16 125 1.36 2.9 16 125 1.36 2.9 16 125 1.36 2.9 16 125 1.37 2.9 16 125 1.38 2.57 49³2 40³2 J Filter PF 47 41 J Filter 1, 53a 23a JWP Inc. 223a 103b, Jackpot En 223a 243a Jacobs Eng 0 6⁴3 Jacobs Eng 10⁵9 7²3a Jacobs Eng 10⁵9 7²3a Jacobs P x 10⁵9 45²2 Jefferon P x 10⁵9 45²2 Jefferon P x 10⁵9 43 Johnson Co 50³4 33 Johnson x 15⁴8 12⁵9 Johnson x 15⁴8 12⁵9 Johnson x

61 55-45 1 48 0.02 21 30 554 3-3 44 29 30 2-2 2-4 15 727 2-3 8-6 10 12 0.16 1.1 40 30 0.17 0.9 16 12 0.30 1.9 17 35 11 0.08 13 187 14 0.08 13 187 14 0.08 14 1286 0.35 2.6 16 80 0.35 2.9 13 101 1.14 10.2 524

124 TH 124-12-18

おうしょうしょうしょうしょうしょう

شامات الما الماء المنافعة المائد .1g +5g -1g -1g -1g 45 4412 465g 4614 214g 241g 244g 241g 244g 241g 25g 91g 912 4612 475g 1012 102 474g 461g 451g 122g 191g 112 191g 112 1121g 1191g 1191g 1191g 1191g

14¹23 34¹2 36¹2¹2 31¹2 31¹

311₂ 25-1, MSB Bencp 77 56-2 MF/Cop 177-6 101-1 MF/SE B.B. 551₂ 44 Mecco Ind X 551₃ 44 Mecco Ind X 551₄ 51-1 Mecco Ind

| 0.96 | 4.0 | 13 | 2395 | 244 | 225 | 225 | 226 | 6.5 | 14 | 225 | 225 | 225 | 6.5 | 16 | 334 | 335 | 6 | 260 | 6.2 | 10 | 334 | 335 | 6 | 260 | 6.2 | 10 | 334 | 335 | 6 | 260 | 6.2 | 10 | 335 | 335 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 6 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 | 355 |

大大大大 大大大 上大大大

121₉ 113₆ RAC Incm x
91₈ 53₇ RAF Manusco
225₈ 2244 RLI Coop
2 112 RM Thann
101₉ 8 ROCTaleson
101₉ 8 ROCTaleson
101₉ 1447 Ratisan Pu x
444, 383₇ RRYS Resplay
2444, 383₇ RRYS Resplay
2444, 383₇ RRYS Resplay
35₈ 35₈ RRS Resplay
35₈ 35₈ Resplay
35₉ 383₇ Resplay
36₉ 133₈ 大大大大大 人名 如何 如此日本 我 人名英格拉特 大樓 沙林 多种有名 ****** * ***** Continued on next page

43 38% PHH Corp 33% 23% PHM Corp 34% 23% PHM Corp 34% 23% PHM Corp 35 18% 15% 24% Phm Corp 35 18% 15% PHM PhM Corp 35 18% 15% Phm Corp 36% 23% Phm Corp 36% P

2197472606274144444446761914454553 8297 T742268477739607343333181845353 827 T74234454555457128133445553 中 中午中午 日十十十 日十十十 立公文

1983
High Law Stack
Div S E 1984
32 28-19 Microso Ind
G-14 55-14 NiL Inda
C-20 1 0.7 22 510 2
25-12 15-14 Noble Ald
C-20 0.7 22 510 2
25-12 15-14 Noble Ald
C-20 0.7 22 510 2
25-12 15-14 Noble Ald
C-20 0.7 22 510 2
25-12 15-14 Noble Ald
C-20 0.7 22 510 2
25-12 Noble Ald
C-20 0.7 2 510 2
25-12 Nobl

+1.

通過者 接 接 一年 有者 医有力 上班 人名英比亚斯 五十年

FINANCIAL TIMES TUESDAY MAY 25 1993 COMPOSITE PRICES Right Low Stock
114, 12-10 (Inheliad L.
1234, 62-2 (Inheliad L.
1234, 22-2 (Inheliad Cap.
324, 221-2 (Incoma Cap.
324, 221-2 (Incoma Cap.
324, 221-2 (Incoma Cap.
225, 221-2 (Inheliad Cap.
225, 221-2 (- U
7 982 1397; 1381; 1384; **AMEX COMPOSITE PRICES** P/ Sts E 100s High 737 514 13 2 122 16 11 2 62 28 239 1519 12 15 1619 12 13 1418 162 29 21 11 23 258 High Lear Close Chag

34, 35, 35,
213, 24, 24, 24,
104, 164, 104,
1 34, 34, 37,
1 35, 34, 37,
1 114, 114,
1 15, Stock Dis. E 1
Cutri FdA 0.01
Cumineo 0.30 13
Computes 21
Canod FbA 11
CrussAT A 1.28 28
Crussa C A 0.48 12
Cruss C B 0.48 12
Cubic 1.53262
Customestix 11 123 123 14 123 123 123 144 154 156 156 157 157 15 15 15 15 14 144 1 14 144 1 24 25 26 26 Sinck Health Ch Healthrit Helso Cp Hittaven Hornalidi Husaniani 5 333 111 187 40 116 83 334 151 1912 602 55 397 116 120 84 17 17 60 312 785 116 47 163 5 434 7 812 759 739 14 32 5 445 6 2883 15 89 0 27 0 380 577584 29 3074 1573 1574 1575 10 2100 475 476 475 24 107 1676 16 16 1678 9,55 1 2100 3
1,004 57 50 45
6 2 74
0.78 14 65 13
6 2100 5
0.48 11 228 18
1,00263 16 24
1,00263 16 24
2 206 63
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10
1,45 69 10 +52 +14 +14 3 418 718 13 165 2412 1378 16 632 1012 2012 914

| Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Final | Fina | Maller H x | 0.52 19 299 24 23\(^1\) 23\(^1\) +52 |
| Maller H x | 0.52 19 299 24 23\(^1\) +52 |
| Maller H x | 0.52 19 299 24 23\(^1\) = \(^1\) = \(^1\) -\(^1\) = \(^1\) = \(^1\) -\(^1\) = 4 20 249 236 236 236 448
5 8410 1252 1134 1252 41
23 121 1234 12 1234
45 3942 12234 12034 72234 4132
0.12 21 4247 1654 1536 32
0.12 21 4247 1654 6 9
0.12 21 4247 164 8 9
0.12 21 424 8 8 9
0.12 21 424 8 8 9 Synergen Syneric Synophics SystemSoft SystemSco Systemed Brand Com Brenco Bruno S BSB Bncp : BT Shiping Buffets Buffets Burnup &S Burr Bren Bushers H Butler Mig Bytes. TW Hidgs 9 1263 3 3 3 3 7-Cell Sc 25 1079 6 34 8 9 3 6 3 + 34 7-7090 Pr 184 17 404 453, 4412 4473 + 13 TEC CD 21 459 18-3, 16-- T -- C -Harding A
Harding A
Harding A
Hardinyovi
1056 15 15 2012 2712 2712
Harper Sp
1020 60 293 1514, 15 1514
HBO & Co
1030 25 1226 2412 2314 2414
Heathbor
106 13 339 614 614 814
Heathbor
113 1214 714 614 714
Heathbor
115 2594 15 1454 1414
Heathbor
116 2594 15 1454 1414
Heathbor
117 1520 714 614 712
Hachingor
116 15 1205 10 914 97
Heathbor
110 65 2714 2014 2014 20
Hopan Sys
115 24 673 778 778 778
Holongic
125 34 414 64 414
Home Boat x0.78 9 43 25 24 24
Home Natr
20 00 614 914 614
Home Otco
173 12 31 1314 1314
Home Stat
Harming 17 296 0214 252 24
Home Natr
20 00 614 914 614
Home Horsehles
17 296 0214 252 24
Home Natr
20 00 614 914 614
Home Horsehles
17 296 0214 252 24
Home Natr
20 00 614 914 614
Home Horsehles
17 296 0214 253 254
Homeheck
18 20 20 14 251 45 1414
HunterEnv
2 636 2014 2514 2014
HunterEnv
2 636 2014 2514 2514
HunterEnv
2 636 2014 2514 2514
Hurthrigh
17 21 1269 2014 2514 2514
Hurthrigh
17 21 1269 2014 2514 2514
Hurthrigh
17 21 21 252 214 214 214
HunterEnv
2 636 21 221 214 214 2214
Hutch Homeheck
6 6 661 2212 214 214 2214
Hycor Bio
14 6 478 458 414 - U -- U
0.52 25 7296 51¹2 50¹2 51
2 843 6¹5 5⁷6 6
x 0.98 14 96 16 17¹2 17²2 1.98
13 85 52¹4 51¹4 51²2
0.40 19 10 17¹4 17¹4 17¹4
19 17 62 21 22
1.20 13 377 43¹4 43 43¹4
0.53 11 1148 24¹9 23¹4 24¹5
0.53 11 1188 24¹9 23¹4 24¹5
0.52 39 23 6¹4 8¹5 9²5 17 153 16¹4 10¹4 10¹4
10 6 34 32¹4 32¹4
18 1247 4¹8 63²4 4¹4 -0-IFF Sys ICF Int Sys ICF Int Sisted Into ICF Int Sisted Into ICF Int Sisted Introduced Ice Introduced Ice Introduced Ice Introduced Ice Introduced Ice Interest Ice Int Sisted Interest Ice 43 286 4867₄ 681₂ 681₂ 0.30 12 628 161₄ 151₄ 191₄ 125 461 241₄ 251₄ 24 28 1133 291₂ 281₂ 281₂ 26 323 161₄ 161₄ 161₄ 14 281 0271₂ 291₄ 271₈ + 1₂ 7 5579 6 7 1₈ 7 1₄ + 1₂ 1.04 8 12 542₈ 54 54 - 3₄ +14 -5 -12 +18 +10 Paccer x 1.00 28 1311 56¹4 55³4 35⁷8 PacCharlop 0.57 17 2 13³6 13³6 13³6 13⁵8 Pacfic 1 x 1.32 14 48 23³4 22¹2 22¹8 Pacritic 1 x 1.32 14 48 23³4 22¹2 22¹8 Parametre 62 4385 13³4 4 32³4 33³4 + 1 Payco Am 25 50 6 7³4 7³4 9 Parm Vry 5 116 10 6 8³4 9 Parm Vry 5 116 10 6 8³4 9 Parm Vry 1.80 47 86 37 35 35³4 Parmoyla 220 17 70 36³4 30³4 30³4 30³4 9 Parm Vry x 1.80 47 86 37 35 35³4 Parmoyla 220 17 70 36³4 30³4 30³2 Parmoyla 120 17 70 36³4 30³4 30³2 Parmoyla 120 27 27 37³4 37 37³2 Parmoyla 120 20 2 2 21 8 28 Parmoscy 24 44 7 81³8 43³8 43³8 Parmoscy 24 44 7 81³8 81³8 Parmoscy 24 81 165 10³2 91³2 16 Paccelle 0.48 4 105 10³2 91³2 16 Paccelle 0.48 13 13³4 13³4 19³4 Parmoscy 16 13 13³4 13³4 19³4 19 Parmoscy 0.84 15 123 38³4 37³4 38³4 19 Parmoscy 0.18 15 123 38³4 37³4 38³4 19 Parmoscy 0.18 15 123 38³4 37³4 38³4 19 Parmoscy 0.18 15 123 38³4 37³4 38³4 15 16³5 15 18³4 15 15 18³4 15 18³5 15 18

+12 +13 +134 +134

38 1076 3834 38 3834 2 230 5½ 576 6 +½ 0.94 15 966 2376 2314 2314 7 888 7½ 7½ 7½ ½ 0.84 11 86 41½ 40½ 40½ -1¼

GET YOUR FT DELIVERED TO YOUR HOME OR OFFICE IN GERMANY.

10 145 15 76 15 21 74 74 85 55 31 3 14 14 14 6 240 16 12 13 14 216 155 15 155 13 21 234 234 235

18 23 19 177g 16 6 173 23% 22% 38 0.44 36 77 207g 20% 20% 0.20 2 40 47g d4% 45% 55 2100 0% 8% 9% 9% 4 5 3, 3, 3,

おおおおから

A subscription hand delivery is available in all major cities throughout Germany. We will deliver your daily copy of the FT to your home or to your office at no extra charge to you. If you would like to know more about subscribing please call Karl Capp for further details on Frankfurt Tel: 0130 5351, Fax: 069 5964481.



۱۹<u>ده</u> فوز

1947



- D -

1 5913419 943¹2 40⁵6 43³6 +2¹4 0.12 28 717 20⁵5 20¹6 20¹2 0.13 43 7 63 79 63 17 552 3³6 3¹4 3³6 +²6 17 239 5¹4 64¹4 4¹2

25 1822 13¹g 13 13²g +¹q 25 20 233 6³q 7¹q 7³q -¹q 025 00 23 6³q 7¹q 7³q -¹q 025 00 23 15¹q 15¹q 15¹q -¹q V 22 14 18¹2 18¹2 18¹2 18¹2 -¹2 5 153 13¹g 12¹2 13²q +¹12

JaJ Sneck Jason inc Jaj ind Johnson W Jones int

AMERICA

US stocks rise on lower bond yields and gold

Wall Street

A FALL in longer-dated bond yields and lower gold prices helped US stocks post modest gains yesterday morning, in spite of reports that the Federal Reserve has shifted the emphasis of monetary policy toward a raising of interest rates, writes Patrick Harverson in New York.

At 1 pm, the Dow Jones Industrial Average was up 10.52 at 3,503.35. The more broadiy based Standard & Poor's 500 was up 1.08 at 446.92, while the Amex composite was 0.62 lower at 432.24, and the

SAO Paulo was some 2.3 per cent higher at midsession on reports that Brazii had tor banks on the recasting of their bond options to reschedule the \$44bn foreign debt. The Bovespa index was op 768 at 33,936, Prospects of lower interest rates also provided support after Mr Fernando Henrique Cardoso, the new economy minister, said that monetary policy will continue to aim at cutting rates.

Nasdaq composite up 0.59 at 694.88. NYSE trading volume was 117m shares by 1 pm.

After last week's wild gyrations, the markets opened amid a considerable degree of confusion and uncertainty about the near-term outlook for stocks. That outlook appeared to darken yesterday morning when newspaper reports said that the Fed's policy-making Open Market committee had voted at its meeting last week to prepare for a possible increase in short-term interest rates because of growing concern about the threat of

revived inflation. The suggestion that short-term rates could go higher would normally derail equity market sentiment. Yet. after last Friday's 30-point

NATIONAL AND REGIONAL MARKETS

Norway (22).

inclined to buy. A rise in bond prices, which brought down long yields, helped, as did a fall in gold prices. A series of computerised buy programs also contributed to the early advance. After posting a 21point gain mid-morning, however, the Dow slipped back from its highs in early after-

Among individual stocks, Kellogg dropped \$2% to \$53% in busy trading after the com-pany said that it expected second quarter earnings to come in about 10 per cent below the 68 cents a share earned at the same stage of 1992. Quaker Oats, down \$11/2 at \$72%, fell in

Some big computer stocks were in fine form in the wake of recent surprisingly good fig ures from Hewlett-Packard. IBM rose \$1% to \$49%, Hewiett-Packard \$1% to \$85%, and Motorola \$1% to \$79%. Others in the sector, however, did not fare so well. Unisvs slipped \$\% to \$11%. Digital Equipment gave up \$% at \$46 and Compaq lost \$% at \$57%.

On the Nasdaq market, Amgeo fell \$2% to \$36% in voiume of 2.5m shares after the brokerage house, Hambrecht & Quist, lowered its rating on the California blotechnology com-pany's stock from "hold" to

Jacobson Stores fell 81/2 to \$13 on news of a sharp drop in first quarter earnings. CANADA was closed for a public holiday yesterday.

SOUTH AFRICA

GOLD stocks put on a further 5 per cent in active trading with most of the interest again coming from foreign investors. The index advanced 91 to 1.885 with some of the biggest gains coming from smaller mining groups. Doorns, for instance, jumped by R1.20, or 24.4 per cent to R6.15.

The industrial index rose 15 to 4,526 and the overall gained

Paris rallies late on seventh interest rate cut

FISCAL easing, or the prospect FFr262. The report helped Elf of it, affected a number of which gained FFr5.30 to bourses yesterday, writes Our

PARIS took time to react to a further cut in domestic interest rates, the seventh since the new administration took office, but a late rally saw the CAC-40 index gain 24.5 or 1.3 per cent to 1,861.37. Turnover was some FFr2.4bn on the first day of the new account.

The rate cut came as a surprise. Most market participants had not been expecting a further decline until a fresh move is made by the Bundesbank. However, the recent strength of the franc enabled the central bank to go ahead. Weekand reports that the

government plans to extend privatisation candidates to clude, among others, Renault and Unisor, the steel group, also lifted sentiment. Among the day's most active

stocks, Total benefited from ews that oll tests in Colombia bad been successfui. The shares advanced FFr13 to which gained FFr5.30 to

Peugeot went against the trend, down FFr5 to FFr525. after Mr Jacques Calvet, its chairman, forecast that French new car sales will show an even sharper slowdown in May than in April.

FRANKFURT was short of upbeat news, and unhappy with the corporate stories it did hear, Volkswagen falling DM4.90 to DM313.50, and VEW DM7 to DM256 among second liners. The DAX ended 7.48 lower at 1,603.09 in turnover down from DM5.4bn to DM4.7bn. VW, still relatively close to

the 1993 high it hit on the appointment of Mr Ignacio Lopez, the former General Motors cost-cutter, and its prospects for corporate restructuring, fell on profit-taking and the legal row between GM and Mr Lopez over the alleged removal of company

VEW, the German utility

Actuaries Share Indices FT-SE THE EUROPEAN SEREES Open 19.30 11.00 12.00 13.00 14.00 15.00 Close Hourty changes

FT-SE Eurotrack 100 1154.12 1154.96 1155.26 1155.74 1155.54 1155.37 1155.92 1156.98 FT-SE Eurotrack 200 1215.30 1214.29 1214.67 1213.38 1214.97 1214.83 1215.18 1217.42 May 20 May 21 1147.97 1212.27 1155.78 1152.98 FT-SE Eurotrack 200 1215.48 1220.18 Basa valua 1000 (28/10/90) Highviter: 100 - F157.84, 200 - 1217.42 Leukity: 160 - 1154.12 200 - 1212.68 (Parta

investors took profits: Elsevier heavily committed to gas-fired slipped 20 cents to FI 128.30 and electricity production, and VNU 40 cents to Fl 119.00. thought to be a prospect for ZURICH featured a SFr12 strategic gains in fuel supply. gain to SFr619 for Swissair regdropped from last week's 1993 istered as the SMI index rose high of DM267 as flat profits 3.9 to 2.237.4. were accompanied by an Holderbank, the cement pro-

AMSTERDAM was lifted by strength in Wall Street and a recovery in Unilever, up F12.80 at Fl 192.50 after last week's suggestions of a downturn in the European food sector.
The CBS Tendency index

unchanged dividend

SFr1.780 ahead of today's rose 0.6 to 105.1. Heineken was annual news conference. MULAN fell back on late prof-it-taking which eroded some of another winner, up FI 1.20 to Fi 179.10, while the publishing the day's early gains. The sector was weaker as some

Comit index fell a marginal 1.21 to 577.24. Fondiaria, the insurance

group, put on L922 to L30,215 in spite of denying weekend press reports that it might be

Fiat, which is due to announce 1992 results next Monday, gained L50 to L6,625

BF17,500, Kredietbank BF1106 at BFr6,500 and Bruxelles Lam-Other movers included Montedison, up L9 to L1,170 and Banca Commercials Italiana which rose L99 to L5,555.

MADRID reported interest rate hopes, and futures inspired buying which kept the general index in respectable territory, up 0.34 to 256.67 as turnover eased from Pta23bn to Pta16.9hn. Banesto fell Pta30 to Pta2,175 after the weekend news that it would pass its final dividend for 1992, and seek a Naw York stock exchange listing after a pend ing Ptal30bn (\$1.04bn) capital

raising operation.

BRUSSELS saw large declines in banking stocks as the Bel-20 index fell 8.56 to

BFr1.8hn, was enhanced by heavy trade in the electricity utility, Electrabel, which fell BFr30 to BFr6.100 in 44,100 shares.

Analysts blamed profit-tak. ing as the banking sector fell by over 1 per cent. Générale de Banque ended BFr140 lower at

will contin

western Ei

recognises

producers.

accordings

•

bert BFr50 at BFr3,600. STOCKHOLM could not sustain Friday's strong advance as both Astra and Ericsson weak. ened. The Affärsvärlden gen-eral index lost 5.3 to 1,087.4 in

turnover of SKr1bn. Ericsson B shares, which accounted for some SKr170m of total turnover, slipped SKr4 to SKr316 while Astra was off SKr2 at SKr738.

OSLO's all-share index fell 2.17 to 474.91, but the market showed an upward trend just before the close after the central bank announced that it was cutting its key overnight lending rate from 7.75 to 7.50

ASIA PACIFIC

Hong Kong improves by another 1.5% ahead of talks

Tokyo

EQUITIES fell in the final minutes of trading as stock index futures contracts weakened and investment trust fund purchases lost momentum, writes Wayne Aponte in Tokyo.

The 225-issue average ended 81.31 iower at 20,476.16, after trading between 20,453.57 and 20,691.20. The Topix Index of all first section issues slipped 2.43 at 1,610.69 and, in London, the ISE/Nikkei 50 index rose 2.33 to 1,241.69,

Volume was 400m shares compared to Friday's 425m. Advances equaled declines at 505, with 168 issues unchanged. Brokers said that favourable money supply data for April. released after Friday's close, which showed a 0.6 per cent rise from the previous year, kept activity firm early in the

However, clearer signs of an economic recovery are needed

the market. "We need more good figures," said Mr Ryoji Tanaka, head of Japanese equity trading at Kidder Peabody International. But investors should become more confident about entering the market as the end of the earnings results season approaches, be

Technical analysts predict that the Nikkei average's short-term range will remain between 20,250 to 20,600 in the absence of incentives.

Good earnings results encouraged market participants to buy shares in the shipbuilding sector. Mitsubishi Heavy industries, the day's most active issue, rose Y1 to Y735, Hitachi Zosen Y6 to Y609 and Mitsui Engineering and Shipbuilding Y2 to

Non-ferrous metals stocks continued to rise in tandem with the gains in the gold price overseas. Mitsui Mining and Smelting put on Y19 to Y563, Dowa Mining Y7 to Y667 and

Mitsubishi Materials Y6 to

Nippon Telegraph and Telephone rose after it filed for government approval to increase the charge rate of public telephones on Friday. The sbares rose Y16,000 to

In Osaka, the OSE average ended 22.49 higher at 22,745.07, in volume of 23.4m shares.

Roundup

APART from another impressive performance from Hong Kong the region was generally muted.

HONG KONG continued its record run, the Hang Seng index rising 106.43 or 1.5 per cent to 7,276.39 in turnover of HK\$4.7bn.

The announcement of the fourth round of Sino-British talks scheduled for Friday encouraged buying, some commentators noted.

Hutchison Whampoa and Cheung Kong topped the active

list, rising HK\$1.10 and 30 cents respectively to HK\$21.90 and HK\$28.00.

ducer, closed SFr1 lower at

SFr651 after it forecast at least

maintained profits in 1993, and

mooted a higher dividend. In a

mixed insurance sector, Bal-

oise registered rose SFr20 to

investors were also seen switching into utilitles; HK Telecom rose 30 cents to HK\$11.50 while China Light added HK\$1.25 to HK\$39.75. SINGAPORE fell back but

some observers commented that overall sentiment remains positive. The Straits Times industrial index lost 6.71 to 1,855.15 in turnover of S\$462m. Amcol Holdings jumped 31 cents to S\$3.26 after giving details of its involvement in an Indonesian satellite project.

SEOUL was slightly firmer for the seventh consecutive session in spite of some profittaking which erased an early 6 point gain. The composite index added 0.57 to 733.91 in turnover of Won706.8bn.

TAIWAN reversed early gains to close lower on late selling. The weighted index. which had risen 25 points, ended 36.51 lower at 4,258.92, its fifth straight fall. Turnover

full session since January. Conflict within the ruling Nationalist party and recent poor economic data, including a cut in this year's official GNP

forecast, continued to affect However, Hualon, the textile group, went against the trend, gaining 80 cents to T\$31.10 on reports that a consortium of local banks had agreed a loan

arrangement of T\$3bn. MANILA moved slightly ahead although activity was reported to have been subdued. The composite index rose 5.61 to 1,577.71 in turnover of 202.4m pegos. Philippine National Bank was among the day's higgest gainers, rising 5

KUALA LUMPUR fell back on profit taking, the composite index losing 4.87 to 724.48. Volume declined sharply to 431m shares against Friday's 642m. Among the actives Tanjong shed 70 cents to M\$13.40.

AUSTRALIA slipped towards

performance by gold stocks. The All Ordinaries index lost 10.1 to 1,685.5 with banking and transport particularly weak. Turnover was A\$302.8m.

In the gold sector, Newcrest. gained 13 cents to A\$4.18, Placer Pacific climbed 5 cents to A\$2.70 and Poseidon Gold rose 6 cents to A\$3.01. **NEW ZEALAND** shrugged off

a weak opening to finish stronger with a gain in the NZSE-40 index of 9.67 to 1,628.27. Turnover was NZ\$33.5m.

Air New Zealand rose 10 cents to NZ\$2.20 on strong overseas demand. Elsewhere Fletcher Challenge rose 1 cent to NZ\$2.65 while Brierley eased l cent to NZ\$1.06.

BANGKOK lost nearly 2 per cent after the SET index fell below the 850 level, closing off 17.14 at 841.23. However, turnover was a below average Bt2.6hn. Some analysts commented that recent disappointing first quarter results had

€1

Bourses decouple from volatile Dow

	% change in local currency †				% change sterling †	% change in US \$ 1
	1 Week	4 Wooks	1 Year	Start of 1998	Start of 1993	Start of 1993
Austria	+0.64	+1.41	-14.70	+2.64	+0.01	+1.8
Belgium	+0.16	-1.41	+3.47	+10.33	+7.87	+9.83
Denmark	0.62	₩.58	·S.64	+17.65	+18.43	+18.5
Finland	+7.21	+11.64	+58.81	+51.68	+42.38	+44.98
France	-0.63	-3.80	7.38	+1.64	+0.74	+2.56
Germany	·1.S1	-3.24	-10.87	+5.48	+3,11	44.98
reland	-0.58	-0.48	+8.88	+26.72	+15.30	+17.39
taly	+4.17	+6.06	+23.24	+31.93	+29.15	+31.49
Netherlands	-0.86	-1.97	+4,19	+8.71	+6.50	+8.44
Norway	-0.64	+3.09	-6.87	+13.98	+12.77	+14.81
Spain	+0.22	+3.41	-0.56	+18.57	+8.54	+10.5
Sweden	+0.37	+3.99	+13.96	+12.26	+6.93	+8.8
5 witzerland	+2.25	+3.66	+15.87	+8.99	+6.53	+8.46
UK	-0.99	-0.77	+4.85	+0.43	+0.43	+2.2
EUROPE	-0.31	-0.44	+2.12	+5.69	+4.11	+6.0
Australia	-0.26	-2.12	-3.52	+8.88	+5.74	
Hong Kong	+2.24	+7.50	+18.81	+30.94	+28.83	+31.17
Japan	+0.60	+4.41	+16.96	+21.86	+35.35	+37.8
Malaysia	+2.07	+8.42	+45.26	+28.87	+27.11	+29.42
New Zealand	+3.80	+0.78	+2.65	+7.65	+12.24	+14.27
Singapore	+1.18	+6.75	+15.45	+18.72	+16.41	+18.53
Canada	+0.46	+3.60	+7.74	+10.82	+9.23	+11.21
USA	+1.51	+2.15	+8.24	+2.34	+0.51	+2.34
Mexico	+2.59	-6.01	-5.64	-8.18	-9 .42	-7.77
South Africa	+2.15	+12.88	+8.09	+27.71	+30.96	+33.33
WORLD INDEX	+0.79	+2.34	+8.97	+9.40	+11.27	+13.30

By William Cochrane

Technical analysts were saying last week that decoupled from the Dow. Record highs on Wall Street on Wednesday and Thursday seemed to engender no

answering enthusiasm on this side of the Atlantic. Falls in Europe's three big-gest equity markets — Germany, the UK and France were instrumental in reducing Enrope's performance to a slight declina which, with Japan in average form, left the US mainly responsible for the 0.8 per cent gain in the FT-Ac-tuaries World index in local currency terms.

The Dow fell back on Friday, on profit-taking and under technical pressnre, but the global strategy taam at Nomura, headed by Mr Nicholas Knight, is bullish. They say that cash had been

stockpiled on the sidelines ready to bit the US equity market at the first downside opportunity, and that this is

| 3.83 | 134.72 | 126.36 | 94.10 | 113.01 | 127.81 | 144.19 | 117.39 | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 193. | 137.23 | 100.81 | 120.82 | 120.71 | 150.96 | 131.16 | 1.70 | 144.03 | 137.23 | 100.81 | 120.82 | 120.71 | 150.96 | 131.16 | 1.70 | 147.42 | 140.47 | 102.96 | 123.66 | 120.52 | 156.76 | 131.19 | 123.12 | 122.14 | 89.53 | 107.52 | 117.70 | 128.60 | 111.41 | 121 | 122.72 | 211.26 | 154.87 | 185.99 | 186.59 | 225.64 | 185.11 | 1.06 | 97.90 | 93.28 | 68.38 | 62.12 | 113.05 | 100.92 | 65.50 | 134.6 | 151.92 | 144.75 | 106.11 | 127.43 | 129.64 | 157.38 | 142.75 | 132.33 | 129.04 | 157.38 | 142.75 | 132.33 | 129.04 | 157.38 | 142.75 | 132.33 | 133.33 | 242.90 | 275.40 | 201.89 | 242.47 | 286.79 | 290.52 | 218.82 | 23.55 | 159.67 | 152.13 | 111.53 | 133.94 | 148.70 | 170.40 | 129.28 | 241 | 72.82 | 69.33 | 50.86 | 81.08 | 79.81 | 72.82 | 53.78 | 20.33.40 | 136.13 | 99.79 | 119.86 | 99.79 | 146.86 | 100.75 | 20.33.40 | 232.88 | 239.80 | 287.75 | 339.14 | 343.04 | 251.66 | 1.31 | 1514.71 | 1443.24 | 1058.01 | 1270.62 | 5153.79 | 172.58 | 1410.30 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14.80 | 14

2.81 184.19 175.50 128.66 154.51 184.19 188.27

3.38 145.28 138.43 101.48 121.87 131.67 149.02

1.54 187.90 159.97 117.27 140.84 160.22 189.92

1.10 147.08 140.13 102.73 123.37 106.33 150.03

2.02 146.21 139.32 102.73 123.37 106.33 148.94

2.80 180.70 172.17 126.23 151.60 179.66 182.38

2.91 125.09 119.19 87.39 104.96 110.86 128.65

3.17 188.51 179.62 131.97 158.15 172.32 196.51

2.04 147.00 140.07 102.69 123.32 119.50 149.39

2.15 156.58 149.19 109.38 131.36 136.34 157.19

2.33 158.29 150.81 117.75 132.79 138.92 158.98

3.00 158.56 160.81 117.75 141.42 181.54 156.56

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited in conjunction with the Institute of Actuaries and the Faculty of Actuaries

+0.0 +1.2 +1.1 +0.6 -1.0 +0.1 +0.2 +0.6 +0.0 +0.0 -0.8

The World Index (2184)..... 158.18 -0.2 152.12 110.38 133.83 139.40 +0.0 2.34 158.48 151.00 110.70 132.95 139.44 159.07 137.32 142.60

FRIDAY MAV 21 1993

| Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Inde

-1.0 175.29 127.19 154.22 182.26 -0.8 138.67 100.62 122.00 131.96 +1.2 163.42 118.58 143.77 162.17 +1.1 143.06 103.80 125.85 107.49 +0.4 141.15 102.41 124.17 118.09 -1.0 172.07 124.87 151.41 177.88 +0.0 181.24 131.52 159.46 172.68 +0.0 181.24 131.52 159.46 172.68 +0.3 141.86 102.94 124.81 120.23 -0.1 150.43 109.18 132.35 138.32 -0.2 151.96 110.27 133.69 138.88 -0.6 180.73 116.54 141.43 160.63

Copyright, The Financial Times Limited, Goldman, Sacts & Co. and NatWest Securities Limited. 1987 Latest prices were unavailable for this edition. Markets closed May 21: Belgium and France.

average mutual fund has 10 per cent liquidity," they argue, "twice the amount necessary to meet at least the initial redemptions that were seen over tha weekend of the crash in 1987." Nomura is increasing its weighting in the US equity market from 32.3 to 36.3 per cent, reducing Spain, Hong Kong and Australia in the

Europe was marked by renewed enthusiasm for Italy and Finland, the former on interest rate hopes and the latter after a strike threatening exporting companies was called off. Thursday's Ascenston Day holiday, extended to two days in Paris and Brussels, gave most bourses an excuse to mark time.

Germany was the worst performer in Europe last week. The UBS global research letter, edited by Mr Guy Rigden, says that, with Italy, Germany has yet to face the full impact of severe fiscal retrenchment and consequent falling domes-tic demand. "We have cut our estimate of German profit growth to minus 30 per cent in 1993," say UBS.

Banque Générale du Luxembourg in 1992 Sustained growth

Consolidated key data

(in million USD)

	1990	1991 .	1992	Growth rate 92/91
Balance sheet total	15. 545	18.078	20.185	+11,7%
Customers' deposits	10.691	11.454	13.117	+14,5%
Liquid assets	7.818	7.803	9.131	+17.0%
Loans and advances	2.790	3.104	3.635	+17,1%
Own funds ⁽¹⁾ , provisions and loan capital	1.165	1.330	1.441	+8,3%
Net profit	41	51	67	. 11 70/

(1) after allocations

Exchange rate: 31.12.1992: 1 USD = 33,15 LUF

Development

- of our lending activities to Luxembourg companies and private
- of administration and financial management of our international
- institutional customers' assets.
- of the entire range of our Private Banking activities,
 of our network of services in the field of legal and corporate structuring.

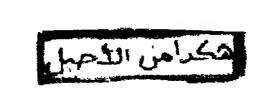
Growth

- of our shareholders' equity and reserves: the bank maintains a solid base for future expansion.



BANQUE GÉNÉRALE DU LUXEMBOURG

RC Luxembourg B 6481 Head offics: Banque Générale du Luxembourg S.A. 27, avenue Monterey. L-2951 Luxembourg. Tal.: (352) 47 99-1 Subsidiary: Banque Generale du Luxembourg (Suisse) S.A. Rennweg 57, CH-8023 Zürich, Tel.: 1-211 22 20 Representative officas: Frankfurt, Hong Kong, Metz, Milan



FINANCIAL TIMES SURVEY

POWER GENERATION EQUIPMENT

SECTION III

Tuesday May 25 1993

Throughout the next decade, demand for new power generating equipment will continue to shift from the US and western Europe to Asia. The trend is recognised by all the big equipment producers, who are laying plans accordingly. Andrew Baxter reports

Strong wind in the east

LAYMEN who assume that the world market for power generating equipment is just a matter of selling turbines, boilers and generators to utilities might wonder where, and why, rolling brown-outs and boiled chicken heads come into the equation.

Rolling brown-outs are the power cuts that countries such as Taiwan and the Philippines impose as they struggle to keep power output up with the needs created by rapid economic growth. Boiled chicken heads are the kind of banquet delicacy faced by western equipment salesmen during tha battle for orders in key

markets such as China. Over the past five years, and throughout the next decade, demand for new power generating equipment has been and will continue to shift from the US and western Europe to Asia. The trend is recognised by all the hig equipment producers, who are laying plans

accordingly. "It is quite clear that Asia will be the highest economic growth area for several decades," says Mr Frank Bakos, vice president and general manager at the Westinghouse Electric power generation husiness unit. "Whoever can deliver the best product at the most reasonable prices will he most successful in supply-ing the needs of the industri-

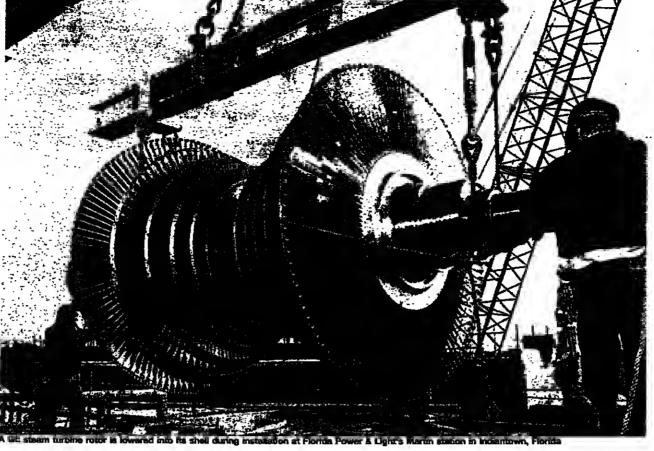
However the projected statistics for the next few years are displayed, Asia looks like coming out on top in a world mar-ket that Westinghouse expects to be worth \$25bn a year by the year 2000 - with annual order volume up 40 per cent from

General Electric, the world's biggest power generating equipment supplier, forecasts that 180 gigawatts (GW or thousands of megawatts) of new power capacity will be needed in the Asia Pacific region from 1993-2002, equivalent to annual growth of 6.2 per

That excludes a forecast 46GW of additional capacity needs in Japan, and comes out of a total world forecast of 610GW of new capacity needs implying a reasonable growth rate of three per cent.

Asea Brown Boveri, the hig Swiss-Swedish supplier, expresses the growth differently. Mr Göran Lindahl, the Swiss-Swedish group's executive vice-president for both Asia and for its power plants business, says China and Hong Kong will be adding 12-15GW of new power capacity every year for the rest of this decade.

This is the equivalent of Switzerland's entire installed power capacity. Overall, says ABB, power capacity additions in Asia are running at triple



tion in China.

A second, and related, poser

for equipment suppliers is the

extent to which they should

become financially involved in

the many independent power

projects which are proposed or

planned in the region. US sup-

pliers have greater experience

of such projects because of the

phenomenal growth of non-

the rate seen in the 1970s. while in western markets new capacity is being added at only two-thirds of rates seen 20

Precise descriptions might vary, hut few would quibble with GE's description of the Asia Pacific region as a targeted "megamarket" for power generation. Strong economic growth in several countries, including Talwan, China, South Korea, Indonesia, Malaysia and China is producing large infrastructure investments and continuing electrifi-

In particular, demand for nuclear plants in Taiwan, Korea and China comes as an immense relief to suppliers facing bleak prospects for plant orders virtually everywhere else outside Asia.

However, the growth in the Asian market creates two prob-

lems for weatern suppliers. First, they have to decide the extent to which it is necessary to enter into joint ventures and local manufacturing deals with domestic suppliers, and under-stand the different nuances in what is by no means a unified

Korea, for example, is more interested in developing its heavy equipment industry than is Taiwan. In China, according to Mr Hans Böhm, vice president of Siemens, it is very important that the market is approached via local manufacturing deals, which will allow tha majority of plant investment to he financed

There is also, he says, a need to develop local manufacturing so that its capacity to handle larger unit aizes can he

ncreased.
Siemens is negotiating joint bome market, but the political

ventures in China in steam turrisks are much greater overhines and in hydro-electric

Overall, equipment suppliers power. Westinghouse, too is are wary of long-term involvelooking to strengthen its position in Asia through new joint ment in Asian "build-own-operventures, and developing existate" (BOO) or "build-operateing ones in China and Korea. transfer" (BOT) arrangements. "We are investing only to drive our core husiness," says Mr GE and ABB hava several negotiations underway - the Canadian arm of GE recently Böhm. "We are not an investor concluded a hydro-electric like a bank." technology transfer deal in If Asia is the main current China. The Anglo-French GEC Alsthom also has a strong posi-

theme in the generating equipment industry there are a number of sub-plots - in some of which the denouement is as far away as ever.

In the US, a combination of "repowering" of existing plants, modernisation and life extension and new thermal plants is providing steady growth opportunities in a market that is still likely to account for almost a sixth of new capacity needs over the

In Europe, overall growth is relatively sluggish but the market is becoming increasingly technology-led, with environmentally-related equipment accounting for as much as 30 per cent of the cost of a power station. The dominant themes will be examined at the threeday Power-Gen Europe conference and exhibition which

An important development over the past year in Europe has been the resolution - at least as regards power plant of a dispute between the US and the European Community over public procurement.

US suppliers are relieved to have won a waiver on controversial articles in the EC utilities directive, in particular the rule stipulating that public utilities must prefer a Euro-pean hid where it is no more than 3 per ceot dearer than the best bid from overseas.

GE sees the deal as opening the way to selling its steam turbines in Europe for the first time since the era of the Marshall Plan. "This was the key trade issue in the industry. says Mr Del Williamson, vice-president for sales at GE Industrial & Power Systems.

Mr Williamson recalls a bid which GE made last year to huild a power plant in Ger-many. The US company lost out in spite of having a lower price and a 1 percentage point edge on thermal efficiency although the project was later cancelled.

The situation in eastern Europe remains, in the words of John Yasinsky, group president at Westinghouse Electric, "exciting and frustrating". Most suppliers have had their share of both sides of the story. where the key issue remains the need for western finance to complete, update or replace with alternative power generating plant the 81 Soviet-built nuclear plants in eastern Europe, Russla and the

Some progress has been made on this issue, but suppliers complain of hureaucratic delays hampering tha raising of money that has already been agreed - such as the \$700m approved at the G7 meeting in Munich last June. Westing-

with other parts of the industry, boiler manufacturers are having to adapt to changing product and technology

Germany's power generating capacity is expected to remain relatively stable, restructuring needs in the east hava opened an important

the world there is renewed interest in achieving greater thermal efficiency and economy from new coal-fired

III The US market is likely to remain attractive, worth at least \$5bn a year for the forecasts by General Electric and Westinghouse Page 5

■ China: Energy planners are confident they will be able 10 add nearly 100,000MW of power generating capacity by the end of the decada. Ocors hava been opanad for foreign

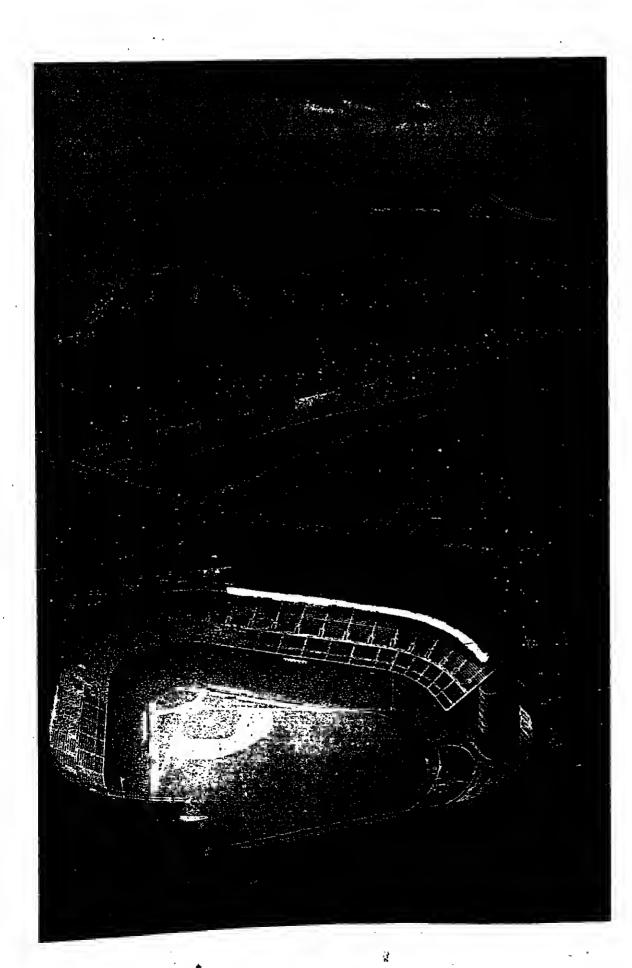
Rolls-Royce PE Westinghouse Page 5

house is attaching particular importance to a \$220m contract it has tied up to supply the instrumentation and control system to the partially-completed Temelin nuclear project in the Czech Republic. The deal could open the way for further work on the newer.

tions, Westinghouse believes. Siemens has already won a contract to update the instruments and controls of the second generation VVER440-type station under construction at Mochovce in the Slovak Repub-

safer VVER 1000 type of sta-

Meanwhile, says Mr Böhm, it is confident of winning soon an order for three 450MW combined cycle power units in St Petersburg, providing district heating and fired by gas turbines to be produced at Inter-turbo, Siemens' joint venture company in the city.



Can you light Natural gas - affordable, safe and available - is an increasingly up the sky without popular choice for driving turbines that generate electrical clouding the air? power all over the world. Although it burns relatively cleanly,

> combustion does produce nitrogen oxide, implicated in acid rain. Abatement techniques have reduced emissions, but heightened awareness among the industrial nations continues to generate tighter legislative controls and the development of ecologically-sound power plants.

Conventional methods of controlling emissions are costly and dampen efficiency. However, ABB research has now developed a way to burn them off. It is a total solution, reducing pollutants while maintaining efficiency, thus consuming less fossil fuel. ABB has installed its innovative "EV-burner" in the Midland Cogeneration Venture, a joint project to produce power for the Dow Chemical Company and the State of Michigan, USA. At full power load, this plant is now producing emission levels well below the world's most stringent requirements.

and distribution, in industry and transportation, ABB is committed to industrial and ecological efficiency worldwide. We transfer know-how across borders with ease. But in each country, ABB operations are local and flexible. That means we can help our customers respond swiftly and surely to technological challenges which stretch the limits of the possible. Like

As a leader in electrical engineering for power generation, transmission,

Yes, you can.

burning gas without clouding the sky.

POWER GENERATION EQUIPMENT 2

Andrew Baxter on GE's support for an unorthodox power system

Something interesting is afoot

probably afoot. Such was the case in February when General Electric, the world leader in power generating equipment, announced a worldwide licensing agreement with Exergy of Hayward, California to further develop and market a technology that could increase overall efficiency of GE combined cycle power systems.

est for a relatively new technology, some-

thing potentially very interesting is

hen the largest company in any industry secures a worldwide lic-

ensing deal from one of the tini-

Behind the deal lies the Kalina cycle technology developed by Dr Alexander Kalina, a Russian emigré who is the principal owner of Exergy. Dr Kalina, like many other engineers, was looking for ways to improve the overall efficiency of electric power generation.

Using as a basis theory developed by Dr Myron Tribus, a former GE turbine designer who is now a director of Exergy. Kalina decided to "throw the book away and change a system that has been in place for 140 years. Instead of concentrating on equipment and materials that could lead to only marginal improvements, Dr Kalina focused on the very process by which heat is converted into electricity.

The Kalina cycle, therefore, is an alternative to the standard steam cycle by which 70 per cent of all electric power is

uses a single working fluid (usually water) to make steam in a boiler, expand it through a turbine to generate electricity. and then condense the spent steam, pump it and return it to the boiler. Because the thermodynamic requirements in the vari-

ous parts of the cycle differ, this creates compromises, says Exergy. In contrast, the Kalina cycle changes the working fluid in different parts of the sys-tem, by using a fluid that is a mixture of two or more components with different boiling points - typically, ammonia and water - and varying their ratio, to avoid

compromises in the standard steam cycle.

The result is that more electricity is produced from the same quantity of fuel. According to Exergy, the Kalina cycle improves the efficiency of thermal power plants by 8-90 per cent, depending on the particular application. Assuming a 15 per cent increase in efficiency, 100 per cent adoption of the Kalina cycle in the US would save fuel worth \$6bn at 1991 prices. Emissions, including greenhouse gases and particulates, would decrease by 15 per

As with many small companies trying to different mixtures can be used in the interest large established suppliers in a boiler and condenser. new technology, success has not come overnight for Exergy, which was founded in 1980 to exploit the Kalina cycle.

In 1984 it decided that the best way to demonstrate the advantages of the Kalina cycle was to build a prototype power plant, and three years later it signed an agreement with the US Department of

It was about this time that GE began a

detailed, two-year study of Kalina cycle technology. By the time the two companies had announced a deal this year, both the efficiency and economics of Kalina cycle systems had been improved by the companies' joint efforts.

GE's worldwide licence for the Kalina The effect of the Kalina cycle could be to raise the thermal efficiency of combined cycle power generation by one or two percentage

points from the current 55 per cent-plus Energy to build one at the Department's Energy Technology Engineering Center in Canoga Park, California.

In 1991, a major milestone was passed when the 8.2MW plant, using exhaust gases from an adjacent test facility as its heat source, was successfully operated. The working fluid is ammonia and water, and the lynchpin is a "distillation condenhsystem" in which the composition of the mixture is changed - so thet

cycle covers its application only to combined cycle power generation. Using a mixture of ammonia and water increases the thermodynamic availability of energy transfer from the gas turbine exhaust to the steam turbine. So you can use a bigger steam turbina for free," says Mr Del Williamson, vice-president for sales at GE

Industrial & Power Systems.

The effect of the Kalina cycle could be to raise the thermal efficiency of combined cycle power generation by one or two percentage points from the current 55 per cent-plus. This would help the power industry save millions of dollars a year in fuel costs, and could, therefore, be very important to GE from a competitive point

According to Mr Williamson, GE is now working on scaling up the technology to establish what the cost would be. GE expects to have demonstrator units in place over the next three years. -

Mr Tribus points out that there are no theoretical limitations to the size of the Kalina cycle. Standard equipment is used. and the only material that has to be avoided is copper, which is attacked by ammonia.

"I am convinced this will give GE an unbeatabla advantage over everybody

else," says Mr Tribus. In practical terms, the Kalina cycle version of a combined cycle plant would have a modified heat recovery steam generator (boller), to include the elements of the distillation/condensation subsystem. A low pressure condenser, recoperative heat

exchanger, gravity flash tank and high pressure condenser would replace a single condenser in traditional plants.

turish turi

port from the

mile fire Cons

E office and

Confedence and

equality of a profit

gentled the

also a la casa a l

 $\frac{\partial J^{2(k+1)}}{\partial J^{2(k+1)}} = \frac{\partial J^{2(k+1)}}{\partial J^{2(k+1)}} \frac{\partial J^{2(k+1)}}{\partial J^{2(k+1)}} \frac{\partial J^{2(k+1)}}{\partial J^{2(k+1)}} \frac{\partial J^{2(k+1)}}{\partial J^{2(k+1)}} = \frac{\partial J^{2(k+1)}}{\partial J^{2(k+1)}}

Tight 1

at H. ""

gge of Y.

nation in 11

of Bristian Co.

Tr. 1......

na a trade in

SULTER AND ADDR

Morto.

Beld on a

tone to

ger (n. 174)

terbinos transf

p.

Reitselfan

48 .73 - 17

able : 15 m

12.

ather to

BOAR STORM OF

IRE

English to the con-

MGC ---

537/1-

Br - :

about on the

in.

chross

pools in the case

 $g(d\sigma^{x}\tau^{-i\alpha})$

eu^{nt}

For the utility, the payback would depend on the market and the fuel price says Mr Williamson. "Where fuel prices are low, the payback will not be so attractive," he says. And if the payback was more than three or four years, the system

may not be seen as attractive. Exergy, meanwhile, is working on several other applications for the Katina cycle. It will be five years until the cash rolls in from any GE sales of combined cycle plants with a Kalina cycle, which could be too long to wait if Exergy wants to develop its plans for coal-fired plants. says Mr Tribus.

Here a particular attraction is the repowering market. "You could take out the guts of an old coal-fired plant, put in our plant, and increase output by 20 percent for the same coal usage," he says:

To exploit this market, Exergy may well raise \$50m-\$60m to get into the coal-fired business itself. A less likely possibility would be to find a partner with engineering ability and market knowledge.

Exergy is also negotiating with several companies that want to take a licence for applying the Kalina cycle to geothermal power generation. The efficiency gains are as high as 80 per cent here because the Kalina cycle performance improves in lower temperatures.

long with other parts of the power generating lequipment industry, boiler makers are having to adapt to changing product and technology trends - environessures, the growth in popularity of combined cycle power generation - and are also reorganising themselves to become more compet-

But, in comparison with newer sectors such as gas turbines, the boiler industry has travelled less far down the road towards global concentration. As one of the oldest, and - until recently, at least - less sophisticated sectors of power engineering. national bnying preferences have prevalled

onger than elsewhere. Worldwide, there are about 50 companies capable of producing boilers for power plants - the boilers are traditionally used for raising steam in coalfired generation but are also used in combined cycle; the waste beat steam generators that link the gas turbine to the steam turbine are basically boilers.

In Europe alone there are 20-30 producers and manufacturing overcapacity bas been a serious problem. A study for the European Commission in 1988 found that capacity ntilisation by Europe's boiler manufacturers averaged just 20 per cent, compared with 60 per cent for the turbine generator

In Europe and worldwide. the situation has improved since then, due partly to mergers worldwide, to improved world market conditions and also to restructuring within individual companies in

Europe and North America. Among the various deals that bave more closely tailored boiler manufacturing capacity to worldwide demand or, at the very least, rationalised the

· Asea Brown Boveri's takeing of the US and Its recent acquisition in Prvni brnenska strojirna in the Czech Repub-

themselves developed through mergers - under one roof as the main elements of GEC Alsthom's boilers and environmental systems business;

Stoker of the US in 1990. • The acquisition by Finland's Ahlstrom Pyropower of

industry's structure, were:

 The integration of France's Stein Industrie and EVT of Germany - each of which had

• Last year's joint venture in boilers between Deutsche Babcock and Lentjes, a subsidiary of Metallgesellschaft; Deutsche Babcock bad acquired Riley

Outokumpu's boiler business

Weakest will go to the wall

and of Fakop, a leading Polish

boiler manufacturer. • Last year's acquisition by Germany's Steinmüller of a 40 per cent stake in Tampella's bofler-making business. Tampella, hased in Finland, had previously bought Keeler in the US.

There has also been thoroughgoing slimming and refocusing at many of the larger companies. The workforce at Babcock Energy's main boiler plant at Renfrew in Scotland. for example, has been reduced by 800 in the past five years to just under 1,200 and the factory is a true low-cost producer, says Mr John Prosser, executive director of Babcock Energy's power engineering

The workforce at Combustion Engineering has been cut by about 15 per cent to under 5,000, although the entity no longer exists as such within ABB. The business, says Mr Kevin Pilon, vice-president for strategic development at ABB's boller business, is "down to the core, and perhaps now in a small build-up players going to the wall and

phase" for employment. Onisourcing of less critical components has been stepped np, and the business has been reorganised on a profit centre hasis, and given new management at profit centre levels. Worldwide, the major boiler

producers are Combustion Engineering, Foster Wheeler . will be opened up. Countries and Babcock & Wilcox, all of such as France and Italy, for

the US; Ahlstrom, Babcock example, have never been easy Energy, and Deutsche Babcock for foreign suppliers. from Europe and Mitsubishi Meanwblle, overcapacity

Then come dozans of national producers, some of

tional markets.

companies with niche technologies either remaining independent or finding financial

security within larger groups. But the pace at which some of the national producers will he samessed will depend critically on bow guickly some of the more protectionist markets

remains and the strong compe-

tition for orders means that

prices for power plant boilers

have been stable or declining

in real terms, according to Mr

He points out, though, that

there are ways for boiler mak-

ers to differentiate themselves.

Companies such as ABB make a virtue of offering a turnkey package of virtually everything needed to build a power station

The boilermaking industry is changing, but at its own speed

Heavy Industries of Japan. The Babcock companies are unconnected, albeit linked in

which are active in interna-

Most observers believe there both could and should be for-One measure of competitive-ness is an effective cycle time ther rationalisation in the strategy - the ability to boiler industry, with weaker

deliver quicker. Differing product strategies add another twist to the competition.

Companies such as ABB make a virtue of offering a turnkey package of virtually everything needed to build a power station. Stemens and Westinghouse, in contrast, buy in their boilers.

Then there are companies which concentrate almost exclusively on boilers, at least as regards their power equipment business.

Mr Prosser points out that Babcock Energy has supplied botlers with ABB, and in one of the biggest recent power plant contracts, the \$1.25bn Black Point combined cycle project in Hong Kong won by GEC Alsthom and General Electric. Babcock won an £80m contract to supply the beat-recovery steam generators because of the customer's strong preference for its equip-

Inevitably, the outlook for the boiler industry over the next few years mirrors that of the power generating equip-

ment market generally. Overall, says Mr Prosser, the next two years will be tough but there are big market opportunities in Asia and the Pacific

Naturally, therefore, the western boiler makers are stepping up local manufactur-ing to help win orders and because it makes economic sense to build at least some of the components close to the market place.

ABB, for example, has a boiler fabrication joint venture in Indonesia, and Babcock Energy, says Mr Prosser. is looking for partners in China and Malaysia to supply plant such as fines and duc-

twork. Babcock is currently bidding jointly with Wuhan Boiler Works in central China for the Ezhon anthracite-fired power station. Again Wahan will be manufacturing some of the less critical parts if the consortium wins the contract.

As for technological develop-

ments, there is still considerable debate as to how environmental pressures will affect tha boiler industry. The boiler producers have already made important contributions to clean coal burning, whether through the development of low-Nox burners or through fine gas desulphurisation

equipment which removes sulphur dioxide. The big companies are trying to keep their options open, as it is not clear what the relative long-term importance will be in the market place for such clean coal technologies as integrated gas combined cycle, circulating fluidised bed boilers, traditional polyerised coal boilers. with scrubbers, or such combinations as pressurised fluidized bed boilers linked to IGCC.

GEC Alsthom's Stein Indus trie recently won an order in France for a 250MW CFB boiler, which it claims is the world's largest. Mr Eric Oakes, Ahlstrom Pyropower's presi dent, says the company has orders for two 230MW boilers in Poland, and says 300MW boilers are attainabla.

"If a CFB boiler can match the price of a pulverised coal boiler with a scrubber, it can be the boiler of choice as the emissions are lower," says Mr Oakes. He suggests that the future could see IGCC repowering existing gas turbine plants as the price of gas rises. while CFBs could be used to re-equip existing coal-fired plants or fitted to new ones. There is room for both in the

Andrew Baxter

SIEMENS

Increasing efficiency by more than 20%

Blading of a gas turbine



Efficiency - a magic word in power generation. Greater efficiency means using fewer resources, and that in turn is a plus for the environment; emissions are reduced and our resources conserved, so thermal and electric power are generated with minimum environmental impact. New processes and options from Siemens are opening up new perspectives - in terms of cost-effectiveness, too.

Greater efficiency with combined

Our unfired combined-cycle (GUD® plants have already achieved a 52.5% efficiency with natural gas fuel. For example the Ambarli station in Turkey achieves an efficiency more than 20% higher than the maximum attained by conventional coal-fired steam power plants.

Brighter future for coal Advanced gas turbine technology for GUD plants has also helped us to open up new perspectives for coal-fired power plants. By producing fuel gas from coal, we are able to achieve efficiency levels

significantly higher than in conventional coal-fired power plants.

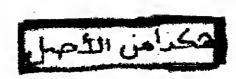
Clean energy

Only cost-effective, clean power generation will be able to meet the growing worldwide energy demand while conserving resources. We are committed to putting this principle into practice. In all fields of power plant engineering we design, develop and supply stateof-the-art systems, equipment and turnkey plants tailored towards pollution control and higher costeffectiveness.



Committed to the future. Siemens Power Generation

Stemens AG, Power Generation Grou Siemens House, Windmit Road sex TW16 7HS, England Hammerbacherstr. 12+14, D-8520 Erlangen, G A19100-U01-Z216-V6-7600



rith

ast .ial

:Or

per cent.

he noise is deafening. The mammoth turbine hall is 600 metres long and 42 metres wide, big enough to accommodate a total of 12 210MW units. Together with two 500MW units installed in 1990, eastern Germany's Boxberg plant was for years the largest lig-nite-fired power station in Europe. Today, it offers some of the largest contracts in continental Europe for power generating

Boxberg, built with Soviet-designed turbosets in the lignite strip-mining fields of eastern Germany, needs extensive refurhishing and plans are underway for two new 800MW plants. The whole project is expected to cost DM5bn-6bn.

While western Germany's power generating capacity is expected to remain rela-tively stable over the next few years, the restructuring needs of the ageing power industry in the east has opened an important market for suppliers of generating

Some 30 per cent of eastern Germany's power stations are due to be closed by mid-1996 as refurbishing is too costly. Moreover, the sharp decline in energy consumption, caused by the economic slowdown and the energy waste which characterised the old regime, makes a large portion of the 22,000MW existing capacity superfluous. Instead, the power plants, which are mostly small 200MW Russian types, will be replaced by large 800MW

Vereinigte Energie AG, VEAG, the east German utility company in charge of 70

per cent of the energy production in the five new German states, plans to build 4,000MW of new brown coal-fired power stations and 2,000MW of hard coal stations hy 2005. Another 1,000MW will be available from newly-installed cas turbines.

Brown coal, which is ahundant, will provide 80 per cent of the energy fuel in east Germany. By 2005, east Germany is expected to produce annually 60m to 70m tonnes of brown coal, according to VEAG.

Moreover, remaining plants will be litted with sulphur and dust removal equipment to reduce their pollution. VEAG has already committed DM6bn to refurbish the two largest plants in east Germany, Jänschwalde and Boxberg.

In contrast, expansion in west Germany will be minimal with a 2.5 per cent addition to the installed 110,000MW capacity planned over the next five years, accord ing to Siemens. Mostly, projects in the west will focus on replacement of old plants. In total, east Germany will need an estimated DM30bn to rebuild and upgrade its power stations and modernise its trans-

The prime benefactor of this growth will be VEAG which was formed after the disintegration of the energy "Kombinat", the

under the former communist regime VEAC is still owned by the Treuhand, the state holding agency in east Germany. Remaining energy production is to be left with regional energy utilities and town authorities.

Three large companies have been dominating the burgeoning market

a combined gas and steam turbine cogeneration plant near Halle. • Slemens, acting mostly through its · Asea Brown-Boyeri (ABB), the Swiss-KWU energy subsidiary, has acquired 40

Swedish power and engineering group, has Asea Brown-Boveri's largest order is for the Boxberg site for which it will be handling the planning work and supplying two complete

Profile: Rolls-Royce Power Engineering

per cent of the market for coal-fired stations and 50 per cent of the market for gas turbines, its outstanding orders for east Germany amount to DM1.5bn, with further

Siemens orders have included the supply of two 800MW turbosets for the large power plant to be built at the Schwarze Pumpe site in Brendenhurg.
Siemens will also install a natural gas-

fired and steam turbine cogeneration plant near Dresden. This new plant, representing a total investment of DM480m, will

turbosets for DM435m

invested DM300m so far but its outstand-

replace the lignite-fired cogeneration at

the same site and reduce pollution by 97

planning of a backfit for the lignit-fired Janschwalde power plant near Cottbus

with a flue gas desulphurisation plant and

Other projects include the design and

ing orders reach DM2bn. ABB's largest order is for the Boxberg site for which it will be handling the planning work and supplying two complete turbosets for DM435m. ABB has also won a DM150m contract for a new coal-fired power plant in Rostock.

GEC Alsthom, the Anglo-French joint venture, has also acquired significant market shares, with ECT, its gas turbine marker, claiming a 25 per cent market share in Germany while MAN, its engicent market share. EVT, its manufacturer of hoilers and environment protection products, claims 20 per cent of the market. with competition coming mostly from the German engineering companies, Deutsche Babcock and Steinmüller.

These companies, all well-established in the West German market before reunification, have largely applied similar strate-gies to access the eastern market, acquiring sister companies formed with hreak-up of the monolithic power industry in east

Other suppliers have included General Electric of the US which In early 1992 signed a contract with Blohm and Voss, offer steam turbine and combined-cycle plants with electrical outputs of 50 to

Companies that have established a local presence through acquisition have generally been more successful at winning contracts. This stems from the efforts of VEAG to foster growth for local manufacturers and safeguard existing employment levels.

"We sttempt to award contracts to local companies as far as possible when their offers are competitive in order to help the local economy," says Mr Albrecht Schleich

Contracts have been delayed, however, by the bitter battles between regional utili-ties and towns for a slice of the pie allocated to VEAG. The rivalries have led to appeals to the federal constitutional court against the quasi-monopolistic power of

After months of negotiations, VEAG has struck agreements with 14 of the 15 regional utilities in the new German states. But legal quarrels between the regional utilities and the towns are still nampering the decision making processes.

tors contracts are being awarded too slowly. But the uncertainty has led to a slow-down in allocating available funds. "Some delays have been observed for some projects hut in many cases there has been an awareness that decisions needed

Suppliers will not admit that public-sec-

to be taken rapidly," says Mr Manfried Simon, a director of ABB Germany. However, eastern Germany's economic slowdown, which has been sharper than anticipated, has cooled initial expectations. "Programmes have been stretched because economic growth and energy consumption is below target. The hig volume

mann, chairman of the board of GEC Alsthom's EVT subsidiary. But most suppliers that hope to pick up husiness in eastern Europe as a whole

did not in fact materialise and the market

is overestimated," says Mr Wilhelm Heit

t would be easy to conclude from a tour round the Parsons steam turbine factory at Heaton in Newcastle that one of the most illustrious names in the UK's rich history of beavy engineering triumphs

is down on its lnck. The factory is ticking over on a low level of activity, and some of the massive machine tools capable of handling a 300-tonne workpiece are being used on work for outside customers - now that the UK market for large coal-fired steam turbines has dried up.

Parsons and its parent company, the recently renamed Rolls-Royce Power Engineering, have, indeed, just been through a rough patch. Overall employment bas fallen about 40 per cent in 10 years. while Parsons' workforce has been halved to 2,500 since

This is partly a reflection of the rationalisation of capacity throughout the power equipment industry, and especially in the European steam turbine business. But Parsons in particular was also badly hit hy the Iraql trade embargo, causing the cancellation of its £70m Al Shemal contract and

equipment for the order still languish at Heaton.

tory will soon be humming once again, as manufacturing orders now in the design stage. Last year Parsons won a £70m contract from Calcutta Electric for two 250MW steam turhine generators to be installed at the new coal-fired Budge Budge power station.

Parsons also secured an order worth £100m to supply three 250MW steam turbine generators for Stage 3 of the Pulan Seraya power station in Singapore. Having built Stage 1 and then lost out to Japanese competition for Stage 3, the new order is the pay-off for all Parsons' recent efforts to

More orders are baing chased, but meanwhile Mr Richard Mandslay, managing director of Rolls-Royce Industrial Power Group, can claim that the power generation husiness is "quite well loaded: much better than 12 months

Murch, managing director says; "We have turned from a situation of some gloom and the loss of 650 lobs. Bits of pessimism to one where we

Fortunately, Parsons' fac-

improve its competitiveness.

At Parsons, Mr Trevor

Things are improving can continue hulding on these receot successes." Over the next few months Parsons will even be recruiting some 300

ew mannfacturing workers. R-R PE can trace its history back to Sir Charles Parsons. the inventor of steam turbines, and more recently has been at the centre of the restructuring of UK beavy engineering. A merger in 1977 brought together Reyrolle Parsons (turhine generators, transformers, switchgear and control systems) and Clarke Chapman (bollers, water treatment plant, fossil and nuclear fuel handling systems) to form Northern Engineering Indus-tries. NEI was itself bought by Rolls-Royce for £300m in 1989 in a move designed to protect the aero-engine group from the vagaries of the aerospace

Subsequently, a deal with Asea Brown Boveri saw the creation of a UK joint venture. NRI ABB Gas Turbines. This

the UK combined-cycle market, as it lacked a range of heavy-duty gas turbines.

Then last year, Rolls-Royce and Westinghouse Electric announced an alliance covering technology transfer and marketing collaboration that is of far-reaching significance

for both companies. And in February, some big changes were made to the corporate identity of companies within the Rolls-Royce Industriel

with historic names such as

Maudslay.

fying problems which were reducing its competitiveness. especially in turnkey work.

The £70m turnkey programme was finished on time and on budget, and also brought work to other companies within the group

Power Group. NEI's business is now con-

ducted in the name of Rolls-Royce Power Engineering, and the NEI prefix has been removed from companies Parsons, Reyrolle, Peebles and Clarke Chapman. "There were

Changes at R-R PE go a long way beyond the name. Over

the past five years, the company has worked hard at recti-Mr Maudslay is frank about

the mid-1980s, he says, the

company lacked the manage-

ment skills to bring in a proj-

ect on time and on-budget. "A

tremendous amount of time

and effort has been spent correcting that," he says.

He contrasts the company's

performance on the Rihand

power station project in India, where it made the mistake of

signing the contract before the

technical specification was

On the manufacturing side the rationalisation included closure of the Parsons plant at Long Benton and a change in the make-or-hny policy to increase ontsourcing of less the errors of the past. Up to

critical components. At Parsons, some £70m was invested in the 1980s on manufacturing technology, and the rate is being maintained this decade, says Mr Murch. A new approach to manufacturing organisation, which Parsons calls "systems engineering" bas had a blg impact on productivity.

work converting the open-cy-

cle gas-turbine Connanght

Bridge power station in Malay-

sia to combined cycle opera-

tion. The £70m turnkey pro-

gramme won by Parsons, was

finished on time and on hud-get, and also brought work to

other companies within R-R's

Industrial Power Group.

Having slimmed down to what Mr Maudslay calls an

"essential core," R-R PE now has a stable base from which lt can provida integrated solutions to customers. As long as it was concentrating internally on reducing its capacity, It tended to take a piecemeal approach to winning orders the same customer would be visited separately by Parsons,

Revrolle etc. Mr Mandslay sees the overall strategy for R-R PE to be to select the market areas and product ranges where it can play to its strengths.

In power generation this means building on its successful record in what have conventionally been called medium-sized steam turbines -250-500MW - but which are now very much the standard size used in combined cycle power generation.

Its regional priorities are the Middle East, India and the Far East. These are the areas with the strongest growth, says Mr Maudslay. The trend towards private power in India and several fast-growing markets in Asia increases the chances of countries' power amhitions being realised, and, via Rolls-Royce & Partners Pinance, Mr Mandslay is prepared to take equity stakes in

projects. "But I don't see us taking a major share in a major project," he cautions. Looking ahead, Mr Mauds-

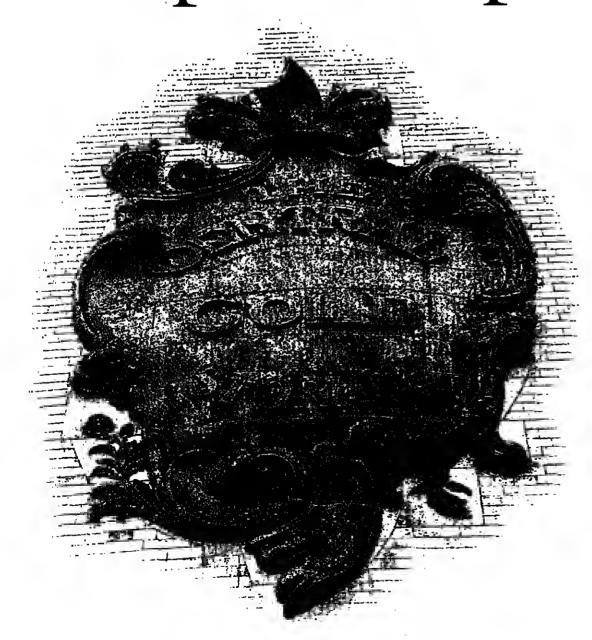
lay attaches considerable importance to the tle-np with Westinghouse. The attraction interest in a deal for both companies. Westinghouse gets aero-engine derivative technology for its gas turbines, while Rolls-Royce gets access to Westinghouse's heavy duty gas turbine range.

The companies will work together on marketing, with either leading a bid depending strengths. Co-operation in steam turbine technology development bas already begun - "it did not make sense for each to develop its

own products," he says. The agreement with Westinghouse excludes the UK because of the NBI-ABB joint venture, but this looks to be declining in Importance for R-R PE overall, perbaps because it lacks the necessary element of mutual interest. Even in the UK. Its prospects look uncertain as the market for gas turbines turns cooler.

Andrew Baxter

The power to preserve our resources.



Inside the walls of this beautifully restored 1894 Victorian power station, Vasa 18V46 gas-fuelled Wartsita Diesel engines will be providing heat, power and chilled water for the vital financial district of the City of Landon. Replacing inefficient and polluting plant, this system provides a secure, reliable and clean source of energy.

Restored buildings from the past give us a sense of history. Preservation of the environment and vital resources such as fossil fuels is critical to our survival. Working as your Power Partner, the Wärtsilä Diesel Group can help you satisfy your power and heating demands without damaging lifesustaining support systems or unnecessarily depleting valuable natural resources.

Utilizing new diesel technology and fuelled by cleanburning natural gas, a combined heat and power (CHP) system from the Wärtsilä Diesel Group will provide over 90% efficiency with minimal toxic emissions. That maxi-

mizes output and reduces energy costs. And with dual fuel capability, these systems provide favourable fuel contract cost benefits plus

operational flexibility and security. We'd like to share the facts on gas diesels with you. Our new book has all the information you need to understand this evolving technology and compares it to other forms of power generation.

Wärtsilä Diesel Group CHP power plants provide long-term power solutions. Our innovations and flexibility to meet the changing needs of today's power industry are helping to make our planet a better place to live - for us

and for generations to come. Send today for the facts on gasfuelled diesel power generation.

23,000

Please send your coupon to: Wirtsili Diesel Oy, Box 252, SF-65101 Vaasa, Finland.

Wārtsilā Diesel Oy, Vassa, Finland, Tel +358-61-324 2111. Wārtsilā Diesel AB, Trolihānan, Sweden, Tel +46 520-22 600. Stork-Wartsill Diesel B.V., Amsterdam, The Netherlands, Tel +31-20 520 3911. SACM Diesel S.A., Mulhouse, France, Tel +33-89-666 948.

POWER FOR A CHANGING WORLD

Renewed interest

it is possible to identify clear

leaders, the steam turbine mar-

ket has many more players,

and there is no obvious tech-

nology leader. "It's a very close

race," says Mr Hans Levander,

senior vice-president for tech-

nology at Asea Brown Boveri's

Along with European and US

producers, all of which are

working along much the same

lines, the Japanese have also

been active. One of the most

sophisticated designs, for a

700MW double reheat turbine

powered by "supercritical"

power plants business.

turbine technology may have recent years, but it would be wrong to give the impression that steam turbines, the stalwarts of power generation for a century, are being ignored.

Inevitably, technology is developing faster in the much younger gas turbine sector, but recently the pace of change in steam turbines has been accel-

Part of the reason is that steam turbines are an integral part of combined cycle power generation, and must therefore play their part in increasing the overall efficiency of the system - which is one of its key selling points. But, across the world, there

is also renewed interest in getting greater thermal efficiency economy from new coalfired plants, which require steam turbines that run hotter, and at greater pressures.

A third task for which significant technological advance-ment has been achieved is turhine modernisation for existing

Our strength is using all energy sources

6,000 MW of power generation capacity.

for power generation: nuclear, coal, natural

steam, was developed by three scientists at Toshiba and won an award in 1991 from the UK's Institution of Mechanical Engi-The reason for the activity is simple. "If the competition can produce a 1 per cent better heat rate, you won't get the order," says Mr Michael Bar-

rett, managing director of GEC Alsthom's large steam turbines division. "That applies to coalfired generation and combined There are two broad types of

steam turbine, impulse and reaction turbines, which differ in the way that the blades interact with the steam flow. GEC Alsthom, Toshiba and Hitachi produce the impulse type while ABB, Siemens Westinghouse and Mitsuhishi have opted for reaction

Proponents of each type tend to say theirs is better, says Mr Barrett, but the fact remains that both types have survived, and each is capable of further

The key challenge for steam turbine technologists is to increase thermal efficiency without sacrificing reliability, flexibility or environmental performance. All these factors and in particular the emissions performance - depend on the choice of boiler too, of

Increasing the "cycle efficiency" of the turbine is a question of raising steam pressures and temperatures at the inlet of the machine, to get more work out of the series of turbines and Increase the torque of the turbine rotor (this turns the rotor in the generator to produce the power).

A typical European steam turbine of the 1970s and 1980s would have an inlet pressure of 165 bar and a temperature of 565°C. Mr Levander says there turbines over 580°C with reheat and double reheat of the steam via return trips to the boiler. GEC Alsthom this month won contracts for steam turbines at two Danish power stations which will operate at 285 bar and 580°C, and there are other designs where the temperature is nearing 600°C, says Mr Bar-

The steam is said to be 'supercritical" above pressures of 221.2bar and temperatures of 540°C and higher. Beyond this

water to steam is continuous and the steam becomes a much In contrast to the rivalry in more efficient carrier of heat. the gas turbine market, where

The effect of such developments is to increase the thermal efficiency - the amount of energy produced per unit of fuel burnt - from the high 30s to the mid40s in percentage terms. Claims of 46 or 47 per cent efficiency are being made for some stations in Denmark.

In the US, GE has developed what it calls an ultrasupercritical steam turbine, suitable for conditions of 300 bar and about 595°C, as part of a project funded by the Electric Power Research Institute. According to GE, the design, in conjunction with an advanced boiler design, can deliver higher efficiency and reduced emissions per KW prodoced than turbines and plants employing conventional subcritical and upercritical steam cycles.

These temperatures may look puny compared with the 1200-1300°C of gas turbines, but the technologies are com-pletely different – although there are some spin-offs for steam turbines from aero-derived developments in gas tur-

For steam turbines, achieving the higher efficiencies available in theory from super-

All the producers believe there are further opportunities for improving efficiency

critical conditions has several implications in practical terms. Advanced steel materials are needed for casings, rotors and buckets due to the high pressure and temperature requirements, says GE. Erosion is a big problem in steam turbines, so new steam path coatings with improved adhesion and solid particle erosion resistance have been developed.

Mr Levander says ferritic steels have now been developed which can cope with the higher temperatures, avoiding the extra cost and some technical problems associated with austenitic steels. The next phase of materials development will see a concentration on sophisticated steel alloys with 9 or 12 per cent chrome, says Mr Raymond Lawrence, engineering and operations director at Parsons Turbine Generators.

Blade design is also crucial to better overall performance. Improved computational methmanufacturing technology are contributing to the introducthree-dimensional blading, says Mr Levander. Similarly. says GE. the aerodynamics of other components such as valves, inlets and exhaust hoods have been improved, due to advances in computational fluid dynamic (CFD) computer

Additionally, says Mr Bar-rett, turbine clearances (the gap between the tip of the

Additional power capacity needs (1993-2002)

reduce steam leakage, and sealings have been improved A second very important trend in steam turbines is towards reduced size of the overall machine, thus lowering the cost for the utility and the space required to site the turbine. A typical 500MW steam turbine in use in the UK might have one high-pressure turbine casing, one intermediate and three low pressure casings, but modern designs make it possible to have a combined high/ intermediate turbine and a sin-

gle low-pressure section, says

blades and the casing) have

been made much tighter to

Mr Barrett. A number of producers point ont the significance for this trend of the ability to make onger hlades or huckets for the last (low-pressure) stage of the turbines - due to new manufacturing methods and materials, especially titanium. Longer blades have the effect of increasing the exhaust area, and thus removing the need for two low-pressure stages. Titanium blades and buckets up to 1360mm are available, such as the last-stage buckets on GE's steam turbines for a Tokyo Electric Power nuclear

For larger turbines, this trend means that turbines which were previously configured as three-casing machines with four steam flows can now be configured as two casing. double flow machines, says GE. Similarly, the output of the smaller single flow, singlecasing units has been

All these trends bave an impact on the repowering market as well as that for new equipment. Siemens cites the example of its replacement of the low-pressure steam turbine in the 1300MW Unterweser nuclear power station near Bremen, increasing output by more than 50MW at constant thermal power of the reactor.

The plant's total efficiency was increased from 35 per cent to 36.5 per cent through the addition of one blade row per flow, advanced blade profiles tion of the exhaust flow condi-

All the producers believe there are further opportunities for improving the efficiency of steam turbines - Mr Barrett says the technology has yet to reach the point of diminishing

The next few years seem likely to see a continuation of the present focus on improved efficiency and compactness (or power density as it is known). "It is hard to come up with a

quantum leap on the steam side," says Mr Del Williamson

fore, make some contribution to one of the biggest technological challenges for the power equipment industry - further improving the thermal effi-ciency of combined cycle

power which is currently hovering at about 55 per cent. Efficiency gains could come either from the gas turbine or the steam turbine, says Mr Williamson. Competitors agree, although the majority feel that, as befits a less mature technology, the efficiency of gas tur-

bines will probably rise faster.

and prize prize The lotter sets decide by Gener Wasilathe Law.

dichti) in minici

for the St. Co. Sec.

gogth at is to

There are good reasons why you may like to work with **ENERGOMACHEXPORT**

We have supplied and installed on a turn-key basis equipment for 99 thermal and hydropower stations world-wide.

Our diesels and diesel generating sets are used all over the world.

We will provide you with any equipment you need for constructing power stations be it a complete power plant or a part of it.

The reliability of the robust Russian equipment will guarantee you satisfaction.

OUR EXPERIENCE WILL WORK FOR YOU

AO Energomachexport 25A, Protopopovsky per., 129010 Moscow Russia Tel: (095) 288 84 56 Fax: (095) 288 79 90 Tlx: 411965



WORLD ELECTRICITY

London, November 1993

This topical conference, the sixth in an important series, is arranged in association with Power in Europe.

For further information please return this advertisement, together with your business card to: Financial Times Conference Organisation 102-108 Clerkenwell Road, London EC1M 5SA Tel: 071-814 9770 Fax: 071-873 3975/3969





:+358 0 60901. Fax: +358 0 6940896. Telex: 124608 VOIMA SP.

Over time, there's just one answer.

The future is a moving targetoften clouded by uncertainty and risk.

Around the world, electrical energy is powering emerging and developed economies alike-continually increasing demand.

This demand requires both modernizing and expanding today's power systems. It calls for new, more advanced technology - that can deliver lowcost, reliable electricity while meeting ever higher environmental standards.

The challenges are complex and long term. But one company is uniquely positioned to help you meet them.

One company - whose advanced power systems technology outperforms all others: from fossil, nuclear, and hydro generation, to air quality control, to transmission and

distribution. One company-with four nmes the experience of any other supplier - and, the depth to provide total solutions -

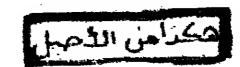
from project feasibility, to extended scope, to project financing.

One company, unmatched for complete life cycle supportfrom advanced planning, to parts and upgrades, to operation and maintenance services.

And finally, one company with both the commitment to technology leadership and the R&D resources to back it up. In a world of uncertainties, there is one choice you can

count on. That choice is GE.





ve

the

lгγ.

oce

rith

·nt.

ate

rict

ıce

jal

JES

Ť

big enough base. The forecasts for the next decade by General Electric and Westinghouse, the two dominant US euppliers, differ slightly in numerical terms but agree on a key point - that the US remains an attractive mar-ket, worth et least \$50n a year for the next decade.

Westinghouse forecasts e peak power demand growth rate of 2.2 per cent over the next decade, equating to total orders exceeding 141GW, more than 20 per cent of the existing US generating base. Of this. about 15GW will be replacing existing capacity.

The Orlando-based supplier says utility investments in existing capacity will also help meet rising demand. By the end of the decade, says Westinghouse, about 25 per cent of the installed thermal capacity in the US will be more than 30 years old, and candidates for life extension, modernisation, uprating and repowering programmes.

■he Westinghouse Electric name is

one of the most famous in the power

equipment industry but is currently more likely to be associated with the com-pany'e troubles in financial services or the

seven-year legal wrangle with the Philip-

pines over the Bataan Peninsula nuclear

That rankles with Mr Frank Bakos,

Power generation is the biggest part of

Westinghouse's power systems business,

which also includes the nuclear and pro-

cess control businesses. Overall, power

systems has grown about 44 per cent in

the past three years, contributing 35 per

cent or \$2.9bn to Westinghouse's revenues

This achievement is a measure, in par-

ticular, of the transformation in the for-

tunes of the power generation business,

which had reached a low point by 1988,.

Over the previous three years, the busi-

ness had been through considerable man-

agement upheaval, and two wrenching clo-

vice-president and general manager of the

Westinghouse power generation business unit. "Enough is enough," he says. "Wa

plant.

are doing fine.

says Mr Bakos.

Even a little means a lot GE, based at Schenectady, forecasts total capacity additions of 105CW for the US mar-

ket over the same period from 1993-2002, and believes that required resources will start to outpace committed resources shortly. The forecast is almost double the 46GW which GE sees being added in Japan over the same period, although it is surpassed by the 180CW predicted for the Asia Pacific

It forecasts total US orders for power plant at 154GW for the decade, which includes equipment that will not come into service until after 2002. About 12-15 per cent of the

market will be equipment for repowering existing power stations, and the rest will be for greenfield sites or for additions to existing sites, says Mr Del Williamson, vice-president for sales at GE Industrial & Power

GE's projections for the US assume a load growth of 2.5 per cent a year, a 20 per cent

recerve margin - the gap between the utilities capacity and the power load - 2GW of Canadian imports and 2GW of net retirements.

The national everage of 25 coupled with a declining reserve margin, produces a forecast growth in capacity of

Predictions for the types of power equipment to be sold also coincide

1.9 per cent a year. The most important region by far is predicted to be the south-east, where GE forecasts uncommit ted needs of 30GW and total orders of 44GW.

Predictions for the types of power equipment to be sold also coincide broadly, with combustion or gas turhines clearly dominant. Of GE's fore-cast for 105GW of total capacity additions, 64GW is combined cycle, 25GW is gas

turbines, 12GW is steam turbines, 3GW will come from hydro-electricity and renewables and just one GW from

nuclear power. Westinghouse's forecasts for the type of new power plants are shown in the accompanying chart, which also shows graphically why combustion turbines are predicted to take some two-thirds of the market. Apart from the fact that gas

has become the fuel of choice. combustion turbines are particularly suited to the independent power producers which want new capacity on stream fast, and which, it is predicted, will account for more than 50 per cent of the power genera-tion market. Almost all the IPP orders are for baseload comhined-cycle stations, saye Mr Williamson

Mr Frank Bakos, vice-president and general manager of Westinghouse's power generation business unit, says the traditional utilities are also finding combined cycle power

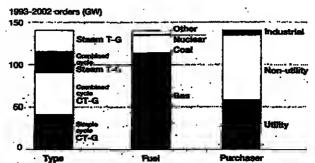
ettractive. And Mr Randy Zwirn, general manager of the unit's power generation projects division, notes a trend for power producers to start with a simple or open cycle combuscompleted in a matter of months, and leave room for a subsequent conversion to com-

bined cycle. Coal-fired generating equip-ment looks like accounting for no more than about 15 per cent of the US market over the next decade, but could become less "traditional" in equipment terms as clean coal technologies such as integrated gasification combined cycle (IGCC) take hold.

At present, says Mr Williamson, the extra capital cost and fuel prices are restraining interest in IGCC.

The market for new nuclear plants, in contrast, is now firmly closed, hut there are signs that the door could be at least slightly ajar by the end of the century.

US: new power plants



Last month. Westinghouse and e group of 16 US utilities signed a contract to invest \$158m over the next five years in the detailed engineering needed to build the Westing-house AP600, a standardised 600MW pressurised water reactor design.

The investment is supported by the US Department of Energy, and is important not only for Westinghouse but as an indicator of an eventual future for new nuclear plants in the US. GE won a similar competition for a lerge advanced boiling water (ABW) design, but neither supplier is exactly holding its breath for have a developed power equipment industry, domestic producers dominate the market. That is not to say, however, that the market is closed - it has historically been one of the most open.

As with most countries that

new business

Westinghouse and GE have about 70-75 per cent of the gas turbine market and 80 per cent of the steam turbine market. These figures bave not changed much in recent years but both ABB and Siemens are trying to expand their presence in the US power equipment

market ABB already has significant

manufacturing facilities in the US end recent successes include the boiler and other equipment for a \$300m coalfired cogeneration project in Maryland and a \$130m order from two Kentucky utilities for six gas turbines.

Siemens is stepping up its interest in the US, which it sees as an important growth market. By the end of the 1990s, it plans for 20 per cent of its entire KWU husiness to be in the US - already, the US accounts for 20 per cent of foreign business.

The German company has been spurred by factors including modernisation and service extension of thermal and hydroelectric plant, demand for new thermal power plants. and topping and repowering of existing steam power plants. In particular, says Mr Hans Böhm, vice-president of Siemens and a member of the KWU group executive management. "we have stepped up our activity on the gas turhine side." Two years ago, Siemens bought A-C Equipment Services, the former service division of Allis-Chalmers, in Milmaking gas turbines for the US and other markets that use the same 60 Hz frequency.

Profile: Westinghouse Electric

A controlled and careful fightback

Not for the first time, some of Westinghouse's competitors in the power generating equipment industry have been trying to exploit the recent adverse publicity by suggesting the US company's long-term commitment to the power industry is in

ing gas turbines throughout the period of non-production in the US.

to build turbines to the same design in three locations, sharing development work and building on each other's strengths and capabilities. This was one way in which Westinghouse was able to produce its first US gas turbine again in 1991, only 17 months after taking the important decisures of "dinosaur" factories in East sion in 1989 to restart production.

been the manufacturing strategy. The concept of a "Great North American Factory," where several plants work together on a product by concentrating on their core

the past three years. Florida are involved in the production of

or mortar required.

year, he says.

house (as it has been, at GE). A flexible, non-union workforce has been e big element in the all-important reduction of cycle times.

At the project level, too, the company is attempting to reduce lead times from order to operation. Mr Randy Zwirn, general manager of the power generation pro-

1725MW Teesside plant, the largest combined cycle plant in Europe, Performance to date is L840MW, says Westinghouse. jects division, says the goal is 20 months future. An example was e brace of con-Sales in the Orlando-based power generation business unit have

tracts announced in November and worth \$80m in total, to supply generating equipment to companies in Peru and Venezuela. The turnround in the power generation business has changed the profile of Westinghouse's power systems business. Power generation took over from the nuclear business in 1991 as the biggest

ber two spot last year with a 20 per cent

One of the biggest recent power con-

tracts won by Westinghouse - in consor-

tium with Mitsubishi - was for Enron's

But smaller orders also bode well for the

also had some notabla successes recently. Tha new plants side of the nuclear business is relatively quiet, but the great advantage for Westinghouse is its unrival-led installed base of nuclear plants which supplied by Westinghouse or based on its

technology.

Along with its successful nuclear fuel husiness, this means that the nuclear side can run profitahiy even without new orders, says Mr Nat Woodson, vice-president and general manager of the energy systems business unit.

The process control division has also distinguished itself by building the instrumentation and control system for the Sizewell B nuclear plant at Suffolk - at short notice after e French supplier's contract was cancelled in 1991.

Mrs Ann Pauley, general manager of the process control division, is targetting Poland and Czechoslovakia as the likeliest east European countries to be able to buy Westinghouse's sophisticated control systems - for nuclear or conventional power plants. Already the business is doing \$5m-\$10m a year of business in Poland.

In spite of these successes, however, the power generation business unit seems likely to become an increasingly important part of Westinghouse power systems. in this it will be beiped by last year's multi-faceted agreement with Rolls-Royce. The UK company's aero-engine technology will be applied to Westinghouse's next generation of large gas turbines, belping it maintain its much improved position in increasingly competitive and global mar-

Andrew Baxter

Pittsburgh and Lester, Pennsylvania each of them a massive 4m sq feet in size. Crucially, though, Westinghouse had also withdrawn in 1986 from the production of combustion turbines in the US.

However, as the combustion (i.e. gas) turbine market - for open cycle or com-bined cycle application - pulled the industry out of its doldrums, Westinghouse found itself "in the right church, but the

wrong pew," as Mr Bakos puts it. What has happened in the past three years is a careful, controlled fightback. At the core of the strategy has been the three-.way alliance in combustion turbines with Mitsubishi Heavy Industries of Japan and FiatAvio of Italy. Westinghouse, fortunately, had remained committed to design-

The network allows the three companies

competences, has come into its own over

Factories from Hamilton, Ontario to Charlotte, North Carolina and Pensacola,

\$120m-\$150m, says Mr Bakos, considerably

more than has been spent on upgrading

facilities. Although Westinghouse cannot

produce as many gas turbines as arch-rival General Electric, it is cost-com-

petitive even when producing only 24 a

unionised plants of the north-east, to

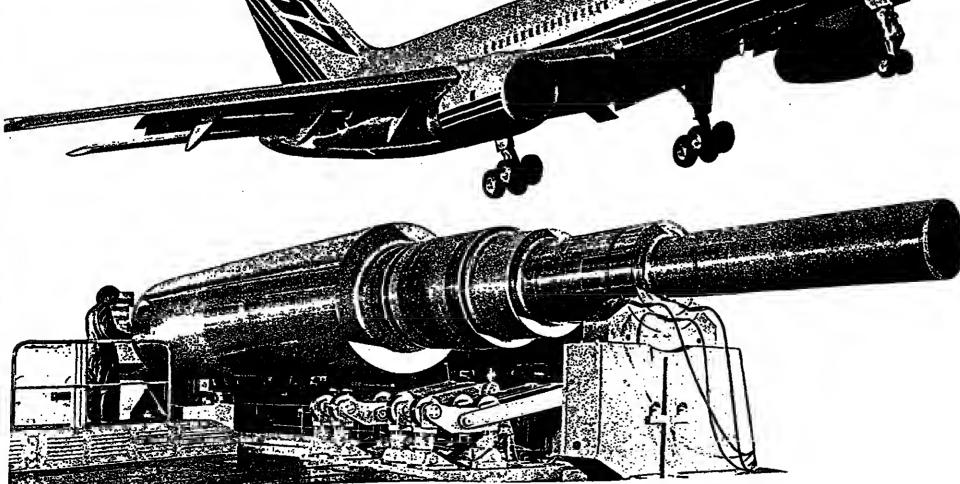
plants such as Charlotte and Pensacola

The move southwards, away from the

grown from \$700m to \$1.7bn in five years and the business is becoming increasingly international combustion turbines, with no new bricks for a combined cycle plant - achieved by reducing the level of "first time engineer Building a new factory would have cost ing" to about 25 per cent of the project and

raising the level of repeatability. "That helps you drive the cost down," he says. Sales in the Orlando-based power generation business unit have grown from \$700m to \$1.7bn in five years, and the business is becoming increasingly international - 60 per cent of new plant orders last year were non-US. In the world combustion turbine generator market, the three-way alliance has moved from the

single element of power systems, but the nuclear and process control segments, grouped together as energy systems, has need regular servicing and support - 173 of the 400 plants worldwide were either



ROLLS-ROYCE INC., 11911 FREEDOM DRIVE, RESTON, VIRGINIA 22090. ROLLS-ROYCS plc, 65 auckingham gate, London Swie 6AT.

But which industry? Rolls-Royce is famous in aerospace, and is also a world force in industrial power.

Rolls-Royce engines are found on a wide range of aircraft, large and small, military and civil. They include the Harrier and Hawk, Boeing 747 and Fokker 100. Rolls-Royce engines will also power future fleets of big twin-jet airliners. With over 1000 customers in 125 countries, the company is certainly a powerful player in the aerospace industry.

The industrial power sector represents 40% of the company's sales. Rolls-Royce is active in power generation, transmission and distribution, nuclear power, marine engineering - both on ships and on the dockside - oil and gas extraction and pumping. Collectively they give the company a broad base to stand ROLLS on, making Rolls-Royce a leader in all its chosen fields.

THE SYMBOL OF POWER

China is aiming for an extra 100,000 megawatts in the 1990s, writes Frank Gray

hina's energy planners are confident they will be able to add nearly 100,000MW of power generating capacity to the grid system by the end of the decade

They are counting on accelerated inputs from foreign private sector investors to help achieve this ambitious target.

According to energy officials, a total of 12,000-15,000MW of new capacity are being planned for each year for at least the next decade, the major proportion destined for the rapidly industrialising regions in southern and eastern China

Large power stations are also planned at coalfields in the interior.

These will require a major on of transmission lines to shift electricity to the industrial centres. But this adjustment in the location of some new installations will also ease the burden on China's overtaxed rail coal haulage system and gradually minimise coal supply problems at far-distant

The growth, if attained, will

Doors opened to foreign investment bring China's installed capac-

current level of approximately 165,000MW. According to Han Ying, China's vice-minister for coal, the mix will continue to be dominated by coal - some 70 per cent of China's power capacity is coal-fired. Annual coal pro-

lty to 265,000MW, against the

duction is expected to rise to 1.4bn tonnes per year by 2000 compared with 1.1bn tonnes The closing of inefficient nits and the commercialisation of the coal-mining industry could lead to some new thermal projects using other fuel sources

Most of the balance is derived from hydroelectric power -China has Asia'e biggest rivers and preliminary work is already under way on the

world's largest hydroelectric project, the 17,000MW Three

Gorges scheme on the Upper complex is being built by a nuclear and hydroelectric investment, not just minority

Yangtse. The China Yangtse Three Gorges Project Development Corp. is now organising the bidding, which will be open to domestic and foreign contractors. First power from the complex could be on line early in

China's first power generating reactor went on line at Qinshan, near Shanghai, last year

the next decade. A third factor in the generating mix is nuclear. Later this year, the first half of the 1,900MW Daya Bay nuclear power project in Guangdong Province near Hong Kong will go on line, to be followed a

year later by phase two. The

consortium. of the Anglo-French GEC-Alsthom, and the French companies, Framatome, Electricité de France and Campenon Bern-

The Daya Bay complex is expected to be succeeded by another of similar size in southeast China, to be huilt by foreign companies, which have not yet been designated. China's first power generat-ing reactor, a 300MW unit, went on line at Qinshan, near

Shanghai, last year. The Qinshan plant is largely bomegrown. A second is planned as part of a programme to add five new reactore with 3,300MW of capacity to the system by the early 2000s. All will be built in the northeast or the

mean that there are growingopportunities for non-coal thermal projects, not a significant factor at present. For example the ABB Group recently announced a 300MW combined cycla contract on hehalf of Hong Kong interests for a plant to be set up in southern China. "The average installation time for combined cycle is 18-24 months, whereas coal sta-

much larger, take 36-48 months to install," an ABB official Given Chma's 1.1bn popula tion and a birth rate of 17m births a year, analysts say the major challenge will he on funding infrastructure projects. The central and regional power authorities have partially dealt with this by throw-

ing open their doors to foreign

tions, which normally are

full ownership

They appear to bava accepted in principle the need to establish a commercial approach to tariff rates, without which private sector involvement in the growth pro-

The private sector phenomenon stems from

the success of Hong Kong's Hopewell Group

gramme will dry.up. Mr R.T. Fox, vice chairman, Kleinwort Benson merchant bank, said in Betjing recently that he was encouraged by China's flexibility. "Ownership of a power project can vary from 100 per cent Chinese to 100 per cent foreign; the life the ven-

ture can be 10 years, 20 years holdings in joint ventures but or with no transfer date fore-

> The private sector phenome non stems from the success of Hong Kong's Hopewell Group, which formed two build-operate-transfer (BOT) projects in southern China, the long-completed 700MW Shaliao B scheme and the new 1.980MW Shajiao C scheme, now under construction.

Under these, Hopewell and partners build the plant and sell electricity at commercial rates to the local grid, turning the project back to Chinese ownership after a decade or so of ownership. Since then, BOT and other schemes with indefinite ownership for foreign companies have flourished.

In fast growing Guangdong province, virtually all the 68,000MW of power stations to

be installed over the longer term could, it is suggested, have some private sector

involvement The International Finance Corp., the private sector wing of the World Bank, has opened an office in Beiting. Sir William Ryrie, IFC vice-president. said the institution would provide \$600m to help finance projects with a total cost of \$3bn over the next three years. The Asian Development Bank says China's concessional rate borrowings could be as much as

\$1bn per year. The World Energy Council has cautioned against over-optimism, suggesting the realistic tariffs burdle still remained - - - ---

افقا بريان او او مورود المحمد ال

formidable.
As of last year, electricity shortages were about 20 per cent of prospective demand. "A total of 32 counties remain without electricity supply, but the average electricity price paid by urban consumers is only about 3 cents per kilowatt hour, well below the cost of production."

D Frank Gray is the editor of Power in Asia

ince 1988, at the end of Sthe war with Iraq, Iran's industrial activity has ballooned from 30 per cent of capacity to nearly 100 per cent as it struggles to repair past damage and meet the demands of the present for a population

of some 55m people. The government recognises that an adequate level of electrification, both in generation and transmission/distribution capacity, is crucial to the success of its economic reforms.

In the industrial sector. where power remains heavily heavy industries such as steel, aluminium, and petrochemical refining have helped to boost demand to an unprecedented 20 per cent annually. Overall. most observers see total demand continuing to grow at 10 per cent or more a year for

the rest of the decade. The two Five Year Plans published in 1988 and covering the period to 1998 show that Iran has allocated some \$12bn of its future foreign currency earnings to the electricity sector, \$6.8hn during the first Plan and \$5.5bn during the second. There is also a significant sum representing goods and services purchased with local currency or through sup-

The exact value of the coun-

ment market (which forms the bulk of its electricity sector spending but excludes downstream industries such as transmission and distribution period is less easy to deter-mine. But it can be estimated by costing the ministry of energy's proposals for broad-ening the base and peak load generating capacity from around 13,200MW in early 1992 to an extremely ambl-

tions 34,000MW by end-1998. Averaging the expense of a mix of thermal, gas-fired and hydroelectric plants at a conservative \$1,000 per installed kilowatt produces a future gross figure of about \$3bn a year of which local contracting and supply might account for 30-40 per cent.

hadgetary conditions, introduced to cushion the blow of the government's decision to devalue the rial, mean that such figures are probably elightly amhitious, western suppliers are under no illusions that Iran is by far the most significant market in the Middle Bast region.

power planning bureau, the total capacity of plants under construction at any given moment totals 80 per cent or

Although the present tight

According to the ministry's more of the capacity currently

iRAN: Post-war build-up needs more power, says Jim Millard Energy and the ayatollahs

The long lead times for

The government has little option hat to press on, as power failures and brownouts are already a reality. It is a telling reminder of the scale of the challenge that even if all the 30-odd power plants involved in the programme are ssioned on schedule, tha ministry does not expect to enjoy any surplus capacity

until 1997 at the earliest. The ministry of energy has mapped out a programme to meet both the argent short-term undercapacity that threatened to strangle any hope of economic revival and provide cost-effective generation in the medium term and

The last five years saw the widespread installation of simple cycle gas turbine sets of 90-125MW units which can be easily incorporated into older (pre-1980) thermal plants for immediate counection to the transmission grid. Many will subsequently be converted to combined cycle gas turbine (CCGT) use by adding waste beat recovery boilers and steam turbines.

By contrast the next five years will see the emerge of a mixed bag of thermal, combined cycle, and hydroelectric projects, the latter comprising four major projects on Karun river in the sonth-west, and a 1,000MW pumped storage plant at Siabisheh on the Caspian sea in the

for the Karun-4 plant on the back of Japan's propensity to offer finance when others are However, large hydroelectric increasingly reluctant to do There is mounting evidence that Iran may have trouble raising the necessary funds for several

of these megaprojects

schemes cost around \$1,500 per kilowatt. The completion of the Karen-3 (3,000MW) and Karun-4 (2,000MW) stations depends on Ab-Niroo, the ministry's hydro wing, securing sufficient foreign loans and supplier credits.

The government already has permission from the majlis (parllament) to raise up to \$3bn in loans and credits to help provide for both Karun plants, Siabisbeb, and a 1,000MW extension Karun-1.

tions, such as institutional While a consortium comprising ABB Kraftwerke, Voest reform and higher electricity and Solzer has secured the tariffs, are unacceptable. contract for the primary equipment orders for the Nonetheless, a \$165m loan to the Tehran Regional Electricity Company (TREC) was approved by the Bank at the Karun-3 hydro-electric plant, end of April to cover a range to win the primary contracts

so. Japan is expected to con-

firm shortly its decision to

provide a \$325m loan for

Karun-4 through its official

However, there is evidence

that Iran may have trouble

raising the necessary funds for

several of these megaprojects

- possibly deferring commis-sioning by years. US opposi-

tion to any further World

Bank power sector loans is

compounded by Tehran's view

that many of the Bank's condi-

programme.

of electrification projects including part of the upgrade of the Qom power plant from onen-cycle to combined-cycle. Any significant borrowing difficulties could impact seriously on the ministry's plans. "Karun-3 is undoubtedly our top priority at this time", says Mousa Refan, chairman and

managing director of state-controlled Ab-Niroo - also known as the Iran Water and Power Resources Development Company (EPWC). Large thermal plants will

also play a significant role. Work has now started on a \$450m turnkey oil and gasfired plant at Arak in the west of the country. An international consortium comprising Canadian companies Babcock & Wilcox and Howden Group Canada, and Nuova Ciminmontubl (Italy) and GEC Alsthom

(UK-France) will be supplying by KWU at the start of the the 2 x 550MW plant for com-

missioning in 1996. In the short term, however, orders will continue to be for simple gas turbine and CCGT type stations such as Gilan (1.350MW) in the north, and Shahid Montager Ghaem (1.080MW) and Shahid Rajaei. (1,080MW) near Karaj, west of Tehran.

In March, Tayanir, the state ntility-responsible for alipower generation outside Tehran, took delivery of the last of 14 PG9001/E gas turbines supplied under a \$350m deal with John Brown Engineering of Scotland, Rated 124MW each, the turbines are to be installed at the Shahid Rajaci, Shiraz, and Shariati plants, where they will later be converted to combined cycle oper-

Anglo-French power group GEC Alsthom also completed delivery of a similar size order for the 14 complementary

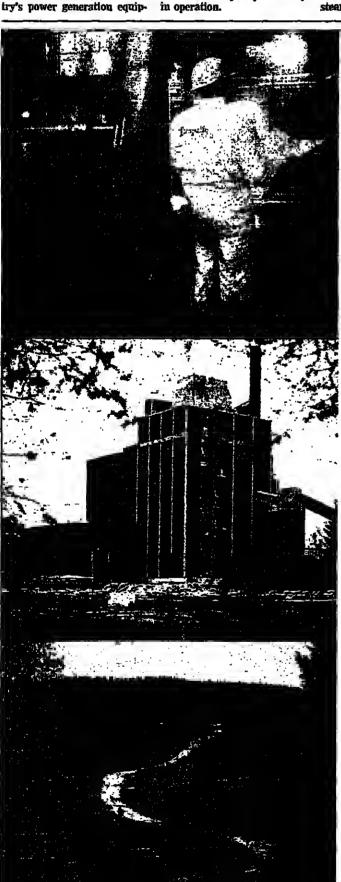
125MW generators. Siemens KWU of Germany has also thrived in Iran, securing contracts or letters of intent for the Gilan and Tehran South (proposed 2,400MW) stations, although past controversy may yet return to haunt the company in the form of Iranian litigation over the incomplete 1,300MW nuclear station at Bushehr, abandoned

Gulf war. Through its Atomic Energy Organisation (AEO), the ira-nian government has already spent an estimated \$3.6bn on the plant, now blocked by the German government's refusal

to grant export licences for

crucial equipment.
This impasse was sorely tested towards the end of last year when the Qeshm island Free Trade Authority, flagship of Iran's free market experi-ment, signed a letter of agreement with Siemens for the finance and construction of the first of four 250MW CCGT mits. Under the terms of the agreement, Siemene will invest some \$340m into the project, which it will continue to operate on e build-operate-

transfer (BOT) basis. If the government bows to AEO pressure to penalise Siemens, either through trade sanctions or hy intervening to block the Qeshm deal, It stands to lose much of its credibility with potential foreign investors. Observers see the most likely outcome to be some form of compensation whereby Iran recovers some of its lost capital to reinvest in other programmes, while Germany protects its position as Iran's premier trade nation. □ Jim Millard is deputy editor of Middle East Electricity



BRINGING **TECHNOLOGY** TO LIFE.

BOILERS AND PROCESS EQUIPMENT **FOR POWER GENERATION AND** THE PULP AND PAPER INDUSTRY

Tampella

Tampella Corp. P.O.B. 256 FIN-33101 TAMPERE, Finland Hephone +358-31-2418511 Telefax +358-31-123219

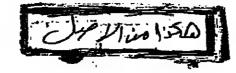
The cleanest advertisement in this survey. (It must be for the AHLSTROM PYROFLOW boiler.)

Thanks to its revolutionary Circulating Fluidised Bed technology, an Ahlstrom Pyroflow Boiler can use even the lowest grades of solid fuel, and still produce exceptionally low emissions.

Around the world, over 100 users are already proving it. To find out more about Ahlstrom's

clean burning technologies and the global alliances behind them, please call + 358 72 211, in Finland.





Tuesday May 25 1993

early to talk of optimism on the troubled economic front, reports Victor Mallet

A long way still to go

T is hardly surprising that wing military rebels, was her Fllipinos spend much of chosen presidential candidate Filipinos spend much of their time looking back nostalgically to the 1950s when their economy was one of the strongest in Asia: the present is often too depressing to con-

As if it were not enough to have watched the dynamic, export-driven economies of their south-east Asian neighbours one by one overtaking the Philippines, the inhahitants of the capital Manila are now being subjected to the added humiliation of all-day power cuts and a surge in kidnapping and violent crime.

Visit the office of a Filipino businessman or government official in Manila, and the chances are that you will find him cursing and sweating in the summer heat without the benefit of air-conditioning. The previous administration of Mrs Corazon Aquino, who toppled the late dictator Ferdinand Marcos in 1986, neglected to invest in new power stations.

The arrival of Mr Fidel Ramos in the Malacanang pres-Idential palace has prompted a growing number of Filipinos and foreign investors to look to the future with renewed hope, although it is too early to talk of optimism.

The cigar-chewing President Ramos, the general who as armed forces chief protected Mrs Aquino from seven attempted coups d'état by right-

in the May 1992 elections. He won with only 23 per cent of the vote, beating six rivals including Mrs Miriam Santiago, the anti-corruption campaigner, Mrs Imelda Marcos. the dictator's flamboyant widow, and Mr Eduardo Coju-

angco, a Marcos "crony." Since coming to power in June with this less-than-overwhelming mandate, Mr Ramos has successfully consolidated his support among Filipinos by touring the country and addressing public rallies; by attempting to make peace with a variety of rebels, including

tha right-wing military officers, the communists and the Moslem separatists in the south; by reshuffling the leadership of the notoriously corrupt police force (some of whose officers were accused of taking part in the kidnappings of ethnic Chinese and foreign businessmen) and appointing Mr Joseph Estrada, the vice-president and former film star, as head of an anti-crime force; and above all by making alliances in the Congress which had so often stymied his predecessor Mrs

This congressional support allowed Mr Ramos to grant himself special powers in April under the Electric Power Crisis Law to deal with the electricity

through naw power station projects and to bypass the country's notoriously slow procedures for screening bids and granting environmental clearance certificates. The new law also gives him the right to raise electricity prices - an option previously blocked by a Supreme Court ruling - and thereby satisfy International Monetary Fund and World Bank conditions for a new international lending pro-

gramme.

The public debate over the new law, conducted with a vigour and openness so lacking in most other south-east Asian countries, goes to the heart of the Philippine dilemma.

On one side of the argument are the disciplinarians, including many businessmen, who believe that the Philippines should pay more attention to discipline and law enforcement than to the kind of freedom and democracy - characterised by interminable lawsuits that the country inherited from the US, the former colonial power. These disciplinarians nodded

approvingly when Mr Lee Kuan Yew, the founding father of Singapore, expounded his gospel of authoritarianism on a recent visit to Manila at the invitation of the Philippine Chamber of Commarca and Industry; they also generally approve of the granting of special powers to Mr Ramos to deal with the electricity crisis, and would probably agree with the local newspaper columnist who joked that the Philippines suffers from being a member of a special kind of NATO: "No Action, Talk Only.

On the other side are the libertarians. They fear that such special powers could be the thin end of a wedge which might eventually open the door to a new dictatorship, thus throwing away the bard-won gains of the uprising that put an end to the Marcos era. The ding, they add, is an invitation

to further corruption. President Ramos's relaxed and undictatorial demeanour as well as the evident and urgent need both to crack down on crime and build new He will be able to push power stations - has helped to

calm such fears. If anything, Aquino did attempt in her last his supporters want Mr Ramos, known as "Steady Eddie" because of his mathodical ways, to move quicker to restore the country's fortunes. Notwithstanding the lack of new power stations, Mrs

two years in office to restore the health of the Philippine economy with a series of measures liberalising imports and foreign investment rules, and Mr Ramos has been able to build on that in an attempt to

compete with capital-bungry Indonesia. China and Vietnam for foreign investors. Following the departure of

US forces from their bases in the Philippines, and the associated loss of bundreds of mil-lions of dollars each year in

venue, Mr Ramos has assiduopsly courted Japanese and other Asian investors with a round of overseas visits.

In August last year he dismantled foreign exchange controls on current transactions, and in an effort to boost the economy this year the administration has embarked on a "pump-priming" exercise of doubtful value whereby government departments were supposed to weight their spending on roads, housing and other infrastructure towards the first half of the

After zero economic growth and a poor performance by the agricultural sector last year, the government initially aimed for a 4.5 per cent rise in real gross domestic product this year, but most businessmen and diplomats regard the target as unreachable because of the crippling blow to industry delivered by the power crisis on tha principal island of Luzon. At best, they say, the economy is likely to grow by two per cent; that compares with a population growth rate of 2.4 per cent and would mean that the average Filipino will continue to get poorer in 1993.

But the economy is showing a number of promising signs, so much so that the peso actually strengthened for a time following the foreign exchange liberalisation as dollars from overseas workers, tourists, property speculators and stock market investors flooded into

The relatively strong peso has made life even harder for exporters, but they can at least take comfort from the fact that inflation has been restrained below 10 per cent and worker militancy has decreased. The outflow of dollars to service the country's \$30bn of foreign debt has fallen to below 20 per cent of export earnings, and the World Bank has redesignated the Philippines as a "moderately indebted" (rather than "severely indebted")

developing country.

After frantically buying dollars to control the rise of the peso, the central bank has \$6bn of reserves and has been buying back Philippine debt at a discount on the international market; there is a further \$5bn of foreign exchange in the commercial banking system.

de

In February, the Philippines successfully borrowed \$150m an absence of more than a decade, and hopes to borrow more. Negotiations are due to resume shortly with the IMF for an extended fund facility of \$800m-\$1bn over three years, which would pave the way for a delayed Paris Club rescheduling of bilateral debt and other

borrowing agreements.
This will be our last programme involving a special relationship with the IMF, where we are in effect wards of the IMF," said Mr Ramon del Rosario, the finance secretary. in an interview with the Financial Times. "We are approaching a situation where we can be back on our own."

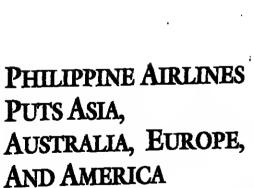
UTSIDE the capital, some areas - notably on the island of Cebu and along the industrial corridor south of Manila - have succeeded in attracting foreign investors and developing export industries.

Mr Ramos, however, will face many obstacles as he struggles to achieve his aim of achieving double-digit eco-nomic growth by the end of his term in 1998. Although the country is probably more stable politically than at any time in the last decade, and some Filipinos have started to whisper that the days of coups d'etat are over, it would take a bold pundit to stake his reputa-

tion on such a prediction. A large backlog of work also remains to be done in building and repairing the country's physical infrastructure, not just for power stations but also for roads and water supply. Economists estimate that the government's per capita real spending on infrastructure has fallen by about 40 per cent in the last decade; the traffic jams in Manila seem as bad as those in Bangkok - and Manila does not have the excuse of an economic boom.

Unsustainable population growth is another problem in this predominantly Roman

Turn to next page





RIGHT IN THE PALM OF YOUR HAND.

Across vast oceans and continents we fly to 35 cities all over the world. Touching each and every one with an exceptional warmth and hospitality found nowhere else. And bringing them all within your reach.



KEY FACTS

300,00 sq. km

PHILIPPINES 2

FTER a decade marked by recession, government indecision and missed opportunities, the Philippine economy again seems to be preparing for a long-delayed take-off.

Economists believe the new government of President Fidel Ramos has a better chance than its predecessors of achieving snstainable economic growth, partly because it has inherited some healthy macroeconomic reforms from the previous administration.

Further, the ten-month-old government has demonstrated a keen determination to pursue cruciai reforms - backed by the international Monetary Fund - to open the economy and pave the way for robust growth. In the past, similar attempts wilted amidst the politically destabilising effects of the reforms.

The medium-term outlook. however, will continue to be hampered by the inadequacy of tba country's infrastructure. Among the worst problems are the shortage of electricity generating capacity and the inefficient transport systems in the archipelago of 7,100 islands.

in common with other developing countries, the Philippines has only scarce resources for its myriad programmes. Low domestic savings rates have been a chronic problem, which gives tha country no recourse but to tap foreign financing. Even now the cost of servicing the country's foreign debt of some \$30bn remains a large item on the budget. While efforts to reduce the debt burden continue, the government also needs to increase revenues by improving the efficiency of tax collection and boosting exports.

Beyond these roadblocks, however, the Ramos administration has set targets designed to put the economy nn track towards modernisation as it steps into the next century.

The three main goals of the Ramos economic agenda are: ■ To raise economic growth

rates to double digits by 1998. ■ To raise per capita income to at least \$1,000, from about \$730 at present.

■ To reduce poverty incidence to 30 per cent of the population, from about half now.

Mr Ramos and his economic

managers, led by Mr Ramon del Rosario, the finance secre tary, have already put marketopening policies in place. In August 1992 most restrictions on foreign-exchange transactions were lifted. This was followed in April this year by a decision to allow the use of medium and long-term foreign loans to cover exporters' costs. which previously was restricted to import costs of

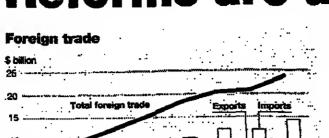
Among the policy measures initiated by the previous administration of Mrs Corazon Aquino is the Foreign investment Act, which allows up to 100 per cent foreign equity in local enterprises. This is now being followed up by the new government with more specific measures to open up certain sectors previously restricted to Filipino interests, such as in land usage and minerals explo-

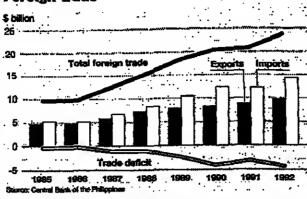
ration. The ongoing tariff reform programme has also reduced nominal import tariffs to an average 23 per cent, from about 42 per cent at the start of the 1980s. By 1995, the effective protection will be down further to 19 per cent, making the Philippines one of the most liberal markets in the region.

While the Aquino government's dissolution of monopolies in the agricultural sector early during its term saw almost immediate results in boosting farm incomes, the response to the Ramos administration's initlal round of reforms has yet to be felt.

This is because of other fundamental problems, such as

■ THE ECONOMY: Jose Galang on prospects for sustainable growth Reforms are a high priority





and the strength of the peso against the dollar over the last year. Inflation has been brought down to an average 8.9 per cent in 1992, from 18.7 in 1991, and the current prngramme targets a 1993 average of 7.5 per cent.

NTEREST rates softened in April, prompting speculators to sell the peso and boosting the stock market to a record high. Costs of financial intermediation bave fallen with the reduced level of reserves that banks are required to hold against bank deposits and the increase in the amounts that state banks can lend in proportion to their deposit bases

Even greater benefits are expected from the move to replace the Central Bank of the Philippines with a more independent Central Monetary Authority with a healthier financial base. The Central Bank's activities towards maintaining price stability are being hampered by huge defi-

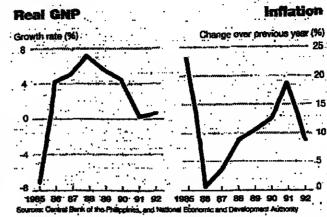
high domestic interest rates cits, particularly those incurred under the late dictator, Ferdinand Marcos. A law is expected to be passed by Congress by mid-year creating crippling deficits, the new agency should be able to steer monetary expansion more effi-

> Barring a further deterioration in the electric power situation, business expects a more favourable climate following these changes in the macroeconomic environment. However, given that the daily power failures are expected to continue to curtail operations until the third quarter of the year, overall economic growth is now forecast by independent economists at no more than 2.5 per cent, substantially lower than the government's fore-

Mr Jose Pardo, president of the Philippine Chamber of Commerce and Industry, says: 'Amidst the darkness [caused by power failures or 'outages']. we see somehow a growth in 1993 - perhaps the recovery

POWER FAILURES

Disruptions hit industry hard



that we had anticipated in capital spending.

The more significant business expansion, Mr Pardo believes, can be expected to start next year. But even the slow rate of growth this year should not be a problem.

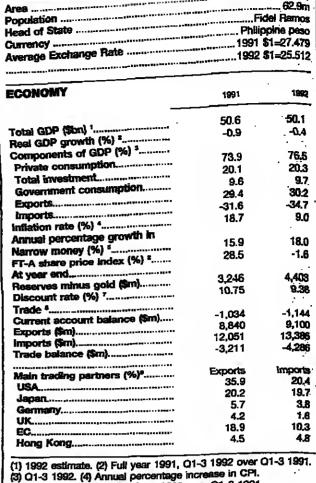
While government officials insist that the 4.5 per cent growth target this year is in fact "achievable," a low growth rate that is accompanied by suitable reform measures should over the long run be more beneficial for the Philippines. The economic "dragons of East Asia, which the Philippines is using as models for its shift away from its current Latin American type dilemma, started out with small growth rates on their way to rapid eco-

nomic advance. Besides, past experience shows that high-growth periods in the Philippines were usually cut short by balance-ofpayments crises. This was due to the increase in consumption spending's share of CNP, as opposed to a healthier expansion supported by increased

The government aims to channel increasing amounts into capital investments via an aggressive infrastructure projects. This year, for instance, it has front-loaded spendings for infrastructure projects in a "pump-priming" programme that will seek to increase capital expenditures and perk up domestic demand

It would be short-sighted to judge the prospects for the Philippine economy purely on the outlook for electricity supplies. Agriculture, for instance, which is still the main source of livelihood for most Filipinos, is expected to record significant gains this year with the expected improvement in weather conditions. Crop production in the past two years had been affected by drought in most provinces and typhoons in others. The Department of Agriculture expects self-sufficiency in rice this year with production reaching 10m tonnes. Sugar ontput will also increase, with

producers already looking at



(5) Money. Full year 1991, Q1-3 1992 over Q1-3 1991.

(6) Annual percentage increase in local currency at year end. (7) Discount rate at year end 91 and Nov 92. 3) Trade figures 1992 are Q1 plus Q2 92 at an annual rate.

(9) Trading partners percentage share of trade in 1991. Sources: IMF, Economist Intelligence Unit.

the attractive prices on the

Remittances from Filipino overseas workers, estimated to top \$2bn again this year, will continue to play a key role in the economy. In the past two years, the foreign exchange hrought home by two million Filipinos employed abroad has helped offset the poor performance of the domestic economy. The growth in remittances has already outpaced that of exports, although this is likely to change if the exchange rate becomes favourable to export-

HE power-cuts that paralyse industries and households in the Philippines' main Island of Luzon for several hours daily have inflicted more damage to the economy than any of the natural calamities that regularly hit the coun-

Losses in industrial production amounted to at least 20bn nesos in the first three months. of this year due to these power cuts (or "brown-outs," as they are known locally), according to the "multi-sectoral task force on power," a group that has been monitoring the problem since 1990. Mr Raul Concepcion, task force chairman. says sales in the period fell by an nverage of 20-30 per cent. Most of those affected were small entrepreneurs, he adds. in 1992, the economy failed to attain its target growth, due in large part to the power fail-ures which disrupted 258 of the year's 297 working days. If the situation does not improve soon, economists fear that growth this year could again suffer grievously.

shortage of sufficient reserve power capacity to cope with shut-downs by the regular baseload plants, which are all old and prone to systems failure. The government has not built new plants since the start of the construction in the late 1970s of the 620MW nuclear

power plant in Bataan province. The plant, which was to have supplied 15 per cent of are under repair or being refur-

the Luzon power demand, was completed in 1986 but was The main problem lies in the mothballed by the previous government because of protests arising from safety fears and allegations of corruption

the environment. Deforestation

has contributed to erosion and

thereby to the silting of dams

and a reduction in the output

ing industries Identified as par-

ticularly beneficial to the

effective environmental protec-

PHILIPPINE BUSINESS OPPORTUNITIES

Opportunities available at the National Development

Company (NDC) are the following companies for

privatization:

NATIONAL STEEL CORPORATION (NSC) - The Philippines

leading manufacturer and supplier of steel products with an

annual production of 920,000 metric tons.

PHILIPPINE ASSOCIATED SMELTING AND REFINING CORP.

(PASAR) - The country's only copper smelting-refinery with a

capacity of 138,000 MT per year of high grade electrolytic copper

PHILIPPINE PHOSPHATE FERTILIZER CORPORATION

(PHILPHOS) - The largest phosphatic fertilizer plant in Asia and

among the largest in the world, with a rated capacity of 936,000

MT of granulated fertilizer.

NDC-GUTHRIE PLANTATIONS, INC. (NGPI) - Major supplier

and manufacturer of crude palm oil and palm kernel, operating a

6,800 hectares of fully planted palm oil plantation.

REFRACTORIES CORP. OF THE PHILS. (RCP) - The country's

largest manufacturer of high-grade basic refractories, mostly for

the cement industry.

SEMIRARA COAL CORPORATION (SCC) - The country's

largest coal mining company, with an annual capacity of 600,000

to 900,000 tons.

NATIONAL SHIPPING CORP. OF THE PHILS. (NSCP) AND

Three Liner Vessels - The country's only flag carrier that offers

liner services for containenzed cargo in Manila, Hong Kong,

Taiwan, Korea, San Francisco and Los Angeles, USA.

Information on the above companies may be secured from:

NATIONAL DEVELOPMENT COMPANY

371 Gil. J. Puyat Avenue, Makati, M.M., Philippines

Tel. Nos. 818-32-84 • 818-37-90 • 87-89-18

FAX Nos. (632) 815-99-82 • (632) 815-44-72

Of the total national electric

power-generating capacity of

6,000MW, the Luzon grid accounts for 4,400MW. How-

ever, in practice only about 2,500MW of the Luzon capacity

in its construction.

in Manila today, pedestrians hold handkerchiefs to mouth of much-needed hydro-electricity. Of the top five manufactureconomy on the grounds of breathe. From Taipei to Bangexport potential, employment kok, that seems to be a price and other factors, two - wood processing and fish processing are directly dependent on tion which does not yet exist in waiting for the prosperity.

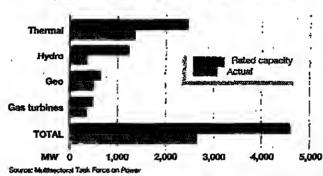
the bydroelectric plants, have water-supply problems. Given the peak demand of

3,200MW from its industrial and residential users, National Power Corporation (Napocor), the state-owned generating agency, already faces a shortage even before the day starts. Nanocor thus has to ration what it can generate to its con-Every 100MW of deficiency

is available because sections in the supply translates into another hour of power-failure a day. The deficiency has risen to around 800MW at the start of the Philippine summer in March. Around mid-April, the shortfall stood at about 500

In recent weeks, a variety of reasons have been given for power-plant failures. In one

bished, and others, particularly Plant performance against rated capacity



case, imported spare parts reportedly "did not fit"; in another, a cooling tower in a geothermal plant was damaged by fire which was hlamed on faulty electrical wiring." Many companies have had to

install their own generating sets, to reduce losses from shortened operating hours or spollage of goods during processing, and the government estimates that total private

exceeds 800MW. Most of the generators use diesel.

Napocor has an ongoing fast-track" programme to install, under build-operatetransfer arrangements with private groups, new capacities that will lead to reserves of some 500MW by September and to 600 MWby end-1993. The government hopes that the new plants will put an end to the power failures by September this year.

However, there is widespread scepticism, because of Napoco's poor track record.

The corporation had been seeking an increase in Its rates, to be able to meet profitability standards required under its loan contracts with the World Bank. New financing is needed for its expansion plans, and any default in its loan commitments could cripple these plans.

It was in this environment that Mr Fidel Ramos, the Philippine president, sought "emergency powers" from Congress. While his request was granted. lingering fears over the "emergency powers" used by the martial-law regime of the late Ferdinand Marcos meant that the new powers won by Mr Ramos were tamer than those he originally sought, and were only for specific objectives.

One of these allows Napocor a higher return from its customers, a way of skirting round a Supreme Court freeze on an earlier rates increase. The extra powers should now pave the way for the construction of crucial baseload plants which will enhance the Luzon grid's capacity by some 1.300MW.

These plants use coal or geothermal energy, rather than oil or gas, as in the "fast-track" plants which are being put up to bolster reserves. But the use of gas turbine systems ceases to he economical over long periods, due to added fuel costs. The move to construct baseload plants using cheaper energy sources, therefore, is critical for the long-term health of the economy.

Jose Galang

Continued from previous page: Catholic country. As a Protes-

Vital issues

tant. Mr Ramos (with the help of his condom-waving health minister, Mr Juan Flavier) may find it easier to tackle the Issue of family planning than would

a Catholic, but an open confrontation with the powerful Catholic church would be risky for the president.

Last, but not least, there is

the Philippines. The valuable tourist trade also depends on a clean environment.

and nose to try to filter out the dust and diesel fumes from the filthy air they are forced to Asian clty-dwellers are prepared to pay for increasing prosperity. The Filipinos have got the pollution; they are still

■HE RECENT battle for control of nawly privatised Philippine Airlines (PAL) has served to emphasise an old truism: the Philippine economy is dominated by a small number of very powerful business families with surnames such as Cojuangco, Ayala and Soriano.

Such families often trace their strength to the quasi-feudal relationship between master and peasant which still exists in much of the countryside, and some of them have increased their influence by cosying up to successive central governments in Manila and by protecting their industrial enterprises behind high tariff barriers.

The privatisation of PAL in January 1992 has involved sevaral of the country's bestknown business families in a bruising and complex battle for control of PR Holdings, which bought 67 per cent of PAL from the state for \$370m.

Mr Antonio "Tonyboy" Coju-angco, president of Philippine Long Distance Telephone (PLDT) and the former PAL chief, lost the first round of the PAL fight to Mr Lucio Tan, a Chinese-Filipinn businessman with tohacco and banking interests, partly hecause Mr Cojuangco himself had secretly approached Mr Tan to help finance the transaction when he was unable to raise enough

Mr Andres Soriano III, head of the San Miguel beverage and food conglomerate, regards Mr Tan as a dangerous rival in the brewing industry (Mr Tan has been marketing a beer called "Beer" which looks remarkably like San Miguel'a own brand but costs less). Mr Soriano, like the Ayala family, had been allied to Mr Cojuangco against Mr Tan for the airline

But Mr Soriano, outraged hy Mr Cojuangco's scheming, apparently ended up selling his stake to Mr Tan via International Container Terminal Services, which wanted a ground handling contract from PAL. There was a serious side to this unedifying and as yet unfinished saga, namely a dis-

generating capacity now

BIG BUSINESS FAMILIES

Fights on many fronts

pute between Mr Tan and Mr old enemies emerged once Cojuangco over the wisdom of more to flex their financial buying \$1.2bn of new aircraft; Mr Tan wanted more emphasis on regional rather than longhaul routes. But the squabbling forced the government, which still holds a stake in the airline, to intervene and impose a compromise. Both Mr Gabriel Singson, the new PR Holdings chairman, and Mr Carlos Dominguez, the new PAL chief, are effectively gov-

Mr Tan is now reported to be seeking to sell his stake of just over 50 per cent in PR Holdings, describing his involvement in the airline as "a big

ernment appointees.

An equally murky war has been waged over the location of the new, unified Philippine stock exchange (at present there are two exchanges, one in Makati and one in Manila). A vote among stockbrokers

in March chose Philrealty Holdings' Tektite Towers, in territory controlled by the Ortigas family, over a site owned by the Ayala family; but the margin of victory was narrow and the losers are challenging the result.

Mr Tan is regarded as something of an upstart by the dynasties which can trace their influence back to the days of Spanish colonialism, but his name, like theirs, seems to crop up again and again when big deals are being discussed in the Philippines. The late Ferdinand Marcos

helped to justify his dictatorship with a populist commitment to reduce the power of wealthy landlords and businessmen, but be gathered around him a set of equally influential business "cronies" instead; when he was overthrown in the uprising which brought Mrs Corazon Aquino to the presidency in 1986, some of the cronies found themselves in trouble and Marcos's

The legacy of these continuing struggles is a corrosive uncertainty in the world of Philippine big business.
The Soriano family company San Miguel, for example, was brought under the control of Mr Eduardo Cojuangco (a Mar-

cos associate who is one of Antonio's cousins) in the time of Marcos. The Aquino administration seized some of the Cojuangco-controlled shares in the company, saying they were unfairly obtained, but he is

The legacy of continuing struggles and financial disputes involving

influential "cronies" from the Marcos era is a corrosive uncertainty in the world of Philippine big business

fighting in the courts to retrieve them. Ownership of part of PLDT is also under a cloud; in March

the Presidential Commission on Good Government declared that the 44 per cent stake in PLDT's holding company claimed by the Cojuangco family may have in fact been owned by Marcos and therefore was at risk of seizure by the

Like others before him, President Fidel Ramos has vowed since his election in May last year to liberalise the economy and reduce the power of inefficient monopolies, although he has moved with deliberate caution to avoid antagonising the husiness community; his critics say the government, by intervening in PLDT, San Miguel and PAL, is taking an unhealthy interest in running

hig businesses. There is this intention to really overcome or eliminate inefficient monopolies in our economy," said Mr Cielito Hablto, the Socio-Economic Planning Secretary in the Ramos administration and head of the National Economic and Development Authority. "My impression is that 90 per

cent or more of the population is supportive of this trend."
But he added: "We don't want to overdo this. We don't want to do this to the point of discouraging investment." Filipino businessmen, even

those with free market tendencies, are concerned that Congress might pass anti-trust leg-Islation so sweeping that It cripples blg companies and provides further avenues for corruption and litigation in a country already over-burdened with both.

Although the blg families are mostly fighting each other, some of them are starting to grumble about Mr Ramos's drive to increase competition. Mr Jaime Zobel de Ayala, head of the Ayala clan, complained in a recent speech that some officiala were atarting to regard businesses "particularly large and established ones" as detrimental to the national interest.

Seasoned observers of the Philippines believe Mr Ramos is bound to reach some sort of compromise with the big families he is targeting.

"The intention is sincere as a way of equalising the level of competition in the marketplace," says Mr Raffy Manalaysay, senior investment analyst at Crosby Securities in Hong Kong, "but whether the implementation is going to be as steadfast and earnest as he would like people to think that's another matter

PLDT is likely to be the focus of the government's attention for the time being. It is widely seen as an inefficient monopoly (there are only two

telephones per 100 people in the Philippines) and improvements would be welcomed by the people forced to use PLDT's service, including the sort of protectionist businessmen who might otherwise be expected to oppose liberalisation; there are, furthermore, plenty of competent international companies which would be delighted to compete with PLDT for the lucrative Philip

pine market. The ground has been further prepared for the Ramos administration by accusations of bribery and skuldnggery. PLDT has long resisted attempts to make it connect its network to those of rival organisations such as Eastern Telecommunications, a Cable & Wireless affiliate, and it won an order from the Supreme Court to stop Eastern handling international traffic. Now, however, Eastern suggested that the judgement read out by a supreme court justice - who has now resigned was written by a PLDT law-

Perhaps encouraged by these devalopments and by the likelihood of public support, President Parent dent Ramos has ordered PLDT to allow other companies to connect with its network. He has also directed the government to exercise more vigorously its rights as a shareholder in PLDT and the holding company, replacing the government representatives on both boards.

The result of these moves is that Mr Antonio Cojuangco is starting to back down. In late March, PLDT announced that it was making connections with a number of other companies, including Eastern.

Big families still dominate the economy - and local politics - in the Philippines and they are unlikely to lose control during the Ramos presidency; but they may - as Mr Ramos seems to be showing with PLDT - be obliged to loosen their grip alightly if the economy is again to compete with the rest of south-east

Victor Mallet

Mag

. .

IVING UP to his nickname of "Steady Eddie."
President Fidel Ramos has advanced gradually but firmly on two fronts in ao attempt to bring political etability to a notoriously unstable country and to consolidate his own authority following his election victory in May last

In September, be established the National Unification Commission, an advisory body with the task of mediating between the government and various rebel groups - including communists, right-wing military rebels and Moslem separatists and with devising an effective peace process.

Mr Ramos has also won enough allies in Congress to ensure that the legislature does not block him at every turn in the day-to-day running of the Philippines. He has thus avoided so far the governmental paralysis which afflicted his predecessor, Mrs Corazon

The president made an inspired choice in naming Ms Haydee Yorac to chair the NUC. A lawyer with liberal credentials, she won respect as an incorruptible election supervisor for Comelec, the election commission, and is acceptable both to the establishment and to left-wing guerrillas, some of whom were her clients.

Both Ms Yorac and the government regard the military rebels as the most immediate threat to the security and stability of the Philippines.

The rebels did, after all, stage eeven coup attempts against Mrs Aquino; Mr Ramos, as her armed forces ban on membership of the

President Fidel Ramos is winning new allies, reports Victor Mallet

PHILIPPINES 3

Support grows for 'steady Eddie'

chief, was obliged to protect Negotiations between the government and the rebels have already begun, and Colo-nel Gregorio "Gringo" Honasan, the charismatic officer regarded as the most influential of their leaders, is seen regularly in Metro Manila, either

in restaurants or attendiog

peace talks.

The assumption is that the rebels will he granted an amnesty and will in exchange disband their forces and give up their weapons - "I'm pretty confident that maybe within tha year we will have a settlement," saye Ms Yorac.

EANWHILE, the communist threat has been eharply reduced by its international decline as a popular ideology. According to official estimates the number of partisans under arms in the Philippines has fallen from a peak of about 25,000 in the mid-1980s to a third of that number - "in terms of being able to overthrow the government, it's not forthcoming in the next 100 years," says Ms

The communist party is racked by internal strife and is heavily infiltrated by military intelligence agents. Divisions have beeo deepened by Mr Ramos's decision to rescind a

party; communists are being urged to abandon the armed struggle and to campaign legally in Philippine elections. the communists, the government is anxious to conclude a formal peace agreement because officials are finding it increasingly difficult to distinguish between political rebels and armed gangs; a deal would leave the bandits out in the cold and ailow the government

to tackle them as common

The Red Scorplon crime and kidnapping gang, for example, is led by former communist rebeis, according to the govern-Joseph Estrada, the ex-film star who heads the Presidential Anti-Crime Commission, was in a group of officials attacked with guns and grenades south of Manila as they investigated the death of a tax officer thought to have been murdered by the Red Scorpi-

No-one was killed, but Mr Estrada blamed supporters of Leopoldo Mabilangan, a former communist commander known as "Comrade Hector," for the attack. Mr Estrada has accused Mr Mabilangan, who recently surrendered, of taking part in kidnapping jobs for tha Red

The government and the leadership of the communist



about the venue for a proposed

considered. The atmosphere second round of talks, and a has not been improved by a

Stock market euphoria has faded, says Jose Galang

Exchanges resist a full merger

had

Sison, party chairman, who accused the NUC of being "a propaganda instrument of the US-Ramos regime".

Organising negotiations with rebels of the Philippines' Mos-lem minority is likely to be equally difficult. Again, it is hard to distinguish between political activity and crime in the lawless southern provinces where the Moslems are strongest, and again the Moslem movement is divided.

The Moro Netional Liheration Front, whose leader, Mr Nur Misuari, is based in Tripoli, Lihya, does not want to negotiate with the government at the same time as the Moro Islamic Liberatioo Front, the more religiously-inclined faction which broke away from the MNLF 17 years ago.

Behind the various rebeltions in the Philippines lies a widespread perception that the political system – even after the 1986 downfall of the late dictator Ferdinand Marcos - is unjust and favours the wealthy, influential families which bave long dominated both husiness and politics. The NUC is also trying to tackle this problem and has hosted "public consultations" in most of the country's 76 provinces.

Ms Yorac says she is urging disaffected Filipinos to air their grievances constitutionally rather than militarily. She

iegal ways for the Public to sack corrupt or incompetent officials, and that they can press for reforms suggested by the post-Marcos 1987 constitution: this, for instance, directs Congress to legislate against political dynasties, something it has so far failed to do.

It would be over-ambitious, however, to expect the political patronage system in the Philippines to transform itself overnight into a model democracy. Mr Ramos, who was competing against seven rivals, won a

mere 23 per cent of the vote in the presidential poll and his Lakas party fared poorly in congressional and local elections. He has therefore not flinched from making alliances with power-brokers to consolidate his position. He co-opted (or, say the cyn-

ics, was co-opted by) Mr Jose de Venecia, a political organiser for Marcos who is now speaker of the House of Representatives. The result was a "rainbow coalition" of support for Mr Ramos, a euphemism meaning that many congressmen defected from the once dominant Laban party and from Mr Eduardo Cojuangco's party and gravitated towards the presidency and its powers: the whole House comes up for re-electioo in 1995, three years before Mr Ramoe's term



The Senate meanwhile replaced Mr Neptali Gonzales as its president with the more amenable Mr Edgardo Angara. with Congress allowed him in March to win emergency powers to deal with electricity shortages - "you have to credit Ramos with the political ability to get the legislature behind him," says one leading

President Ramos also felt obliged to seek popular legiti-macy after his narrow election victory by touring the country to attend numerous rallies, a tactic some describe as a "post-

election election campaign". If the opinion polls are any thing to go by, the president is doing fine. Not only do they suggest that 60 per cent of Filipinos approve of his performance, they also show that 46 per cent claim to have voted for him in the election - double the actual figure.

S ONE of the best performers in recent years Among the world's emerging markets, the Philippine stock market has been receiving increasing attention from global investors.

In 1992, the Manila Stock Exchange (MSE) composite index closed the year 9.1 per cent higher, a growth which was, however, substantially slower than the 77 per cent recorded the year before.

The euphoria in the weeks that followed the election of President Fidel Ramos, in May last year, which pushed the index to a historical high of 1,580 points, has given way to a cautious optimism, especially since it became clear in October that existing electric power generating capacity may not be sufficient to support economic growth target This year, most analysts expect the market to approximate last year's performance, with much of the growth in

In April, after the signing by Mr Ramos of an "emergency level broke the record estab-

are hy no means tripping over each other in their efforts to put money into the country's operating stock exchanges, the 66-year-old MSE and the Makati Stock Exchange (MKSE), which was established in 1963 by a splinter group disenchanted at the time by the domination of Chinese-Pilipino interests in the

the second half.

powers" bill that enables him to attack the power problem more decisively, the index lished in mid-1992. However, foreign investors

older bourse. The Philippine market, despite its strong performance since 1990, has also been viewed as a volatile one. Furthermore, certain fundamental reforms are felt necessary to ensure investors of a

level playing-field. The two exchanges trade the same set of stocks, often at different prices, and give the ssion - according to the watchdog Securites and Exchange Commission (SEC) of price manipulation, especlally eince arhitrage is

The SEC has vigorously as giants in the local real pushed for a merger of the two estate market. exchanges, but leaders of each detest the Idea of being absorbed by the other. The proposal has been amended to "functional unification",

which member-brokers of the

two approved overwhelmingly

at a historic meeting last March. However, a key issue at the same meeting, the selection of the head office for the nnified exchange. remained unresolved owing to a fierce contest between two property firms, both regarded

The MSE is currently housed

in Tektite Towers, owned by Philippine Realty and Holdings, which is located in the rapidly developing Ortigas Centre, where the Asian Development Bank has put up its naw headquarters.

N the other hand, the MKSE bas its own building on Ayala Avenue, in Makati's financial district. It was established by Ayala Corporation, the oldest business conglomerate in the Philippines, which ie controlled by the Zobei family.

The debate has simmered down a bit since mid-April, with a move to declare both present locations as head offices, which will be linked np by a computerised system starting this July if no further delays are encountered.

Amid this acrimooy, the two exchanges accounted for comhined turnover of 154.5bn pesos (\$5.8bn) in 1992, almost double the level in 1991. Analysts forecast that turnover

will expand by a third this

While the composite index reflects price movements of a dozen stocks from the market's three sections, six stocks already account for over 60 per cent of the market capitalisation of 390bn pesos.

It is scarcely surprising that trading is often concentrated on these six firms: Philippine Long Distance Telephone, San Miguel Corporation, Ayala Corporation, Ayala Land, Philippine National Bank, and Manila Electric Company,

The Philippine stock market is also more sensitive to movements in interest rates and the peso-dollar exchange rate than to other macroeconomic figexpected further decline in domestic interest rates, mirroring the downtrend io Treasury hill yields, investor interest in stocks should grow over the next few months.

Dnriog the two-tiered exchange-rate era of the mid-1980s, which was characterised by volatile peso-dollar rates on the black market, speculative money was sipboned away from the stock exchanges, resulting in lean

These days, with the exchange rate showing fundamental stability, funds are more partial to stocks.

The market at the end of 1992 was trading at a price/ earnings multiple of about 15, from which level there bas been not much change. This rating is considered competitive among the region's stock

SUBIC BAY SPECIAL ECONOMIC AND FREEPORT ZONE

Magnet for new investments

 VEN when it was under US navy jurisdiction because of a treaty with the Philippine government, Subic Bay was highly regarded for its strategic location in the

تق وزن

Asia-Pacific region.

The former military base served as a jump-off point for American operations in Vietnam during the 1960s and in the Gulf War of 1991.

Now being converted into an industrial estate after the withdrawal of the last of the US forces in November 1992, Subic Bay is attracting business groups that require a wellequipped base to expand their activities in the region.

More than 2,500 companies, according to the ebullient Mr Richard Gordon, chairman and administrator of the Subic Bay Metropolitan Anthority, have offered to locate operations in the area, now known officially as the Subic Bay special economic and freeport zone.

Among these businesses are

four big international conglomerates, each of which expressed interest in taking over and running the whole zone. The SBMA, which is overseeing the conversion, turned down these proposals and opted instead to undertake the development

Subic Bay "will be the magnet for new investments" into the Philippines, Mr Gordon told the Financial Times. "We are building an economic zone that can compete with other, similar projects in the region."

■ AIWANESE investors, as a group, are among the most enthusiastic in setting up shop in Subic Bay. A 300-hectare area is being developed into an export processing eone for Taiwan companies. The Taipel government has piedged a \$20m loan to the SBMA to help develop that

Having been the US navy's largest military base overseas, Subic boasts a variety of topclass facilities that can readily accommodate investors. Its recreational areas, including an 18-hoie golf course, are also

certain to attract tourists. The 6,000 hectare facility sits between a deep natural harbour on the west opening up to the South China Sea and a mountain range on the other side, which makes it an ideal

hills are regarded as protective barriers to any further lahar (volcanic debris) flows from Mount Pinatubo which is located north-east of Olongapo. Existing infrastructure facili-

ties include an airport, shipping berths and a well-maintained road network, as well as utilities (electric power plant, telecommunications, water and sewerage systems) and structures that can be used as warehouses, offices, hotels and med-ical centres. These make the zone attractive for businesses desiring an early start-up.

A 123-hectare petroleum, oil and lubricants depot has only recently been leased for \$100m to Coastal Petroleum, the 10th largest petroleum-refining company in the US. The lease cov-

ers a 25-year period.

The depot has 63 individual storage tanks with a combined holding capacity of 2.4m barrels, and an 844ft pier capable of servicing two 60-80,000 deadweight tonne vessels simulta-

neously.

Mr James Paul, president
and chief executive officer of Coastal, was recently in Manila to sign the contract with the SBMA. He said its Subic facility "has effectively and strate-gically positioned [Coastal] to supply gasoline, gasoil, jet and hunker fuel to the Pacific Rim." which he described as "the world's faetest-growing

petroleum consumer." That is the type of investment that the Subic cone wants to capture. An official in the SBMA's corporate planning office said the objective is "to prove that the Philippines can absorb foreign investmente efficiently and quickly."

Subic Bay is likely to establish precedents that could ben

efit other industrial estates in the country.
In the planned industrial cor-

ridor south of Metro Manila, private groups in the five prov-inces known collectively as "Calabarzon" (coined from the first syllables of the provinces' names) are converting farm-lands into industrial enclaves where investors may put up

Unlike Subic's natwork of advanced infrastructure facilities, these Calabarzon estates are still being modernised. As an incentive to investors, enterprisee operating at tha

anchorage. The surrounding bills are regarded as protective exempt from all national and local government taxes, and have only to pay a 5 per cent final tax on gross income. Currently, however, both the freeport zone and Olongapo's downtown are virtual "ghost towns" as the transition from a boisterous "good time" city into an envisioned industrialising economy proceeds at a slow pace. While some companies are

eager to come in, Mr Gordon speaks of the need to "make haste slowly". A master plan for the development of the sone, funded by the World Bank, covers only the former naval base itself. "We cannot go beyond what is in the mas-

A factor that has to be taken into consideration is that the area was originally configured not as an economic zone but for military operations. The SBMA plans shortly to

lease housing units for executives - "we can use the income for the construction of housing for the workers," says Mr Gor-

P this July, the first of the nearly 700 light and medium-sized industrial enterprises that are likely to be set up in the area reserved for Taiwanese investors, could be operational. Eventually, these enterprises could employ over 160,000 people.

The new jobs should enable the Olongapo economy, which in the past was mainly depen-dent on transient US servicemen, to perk up.

"You will have to devise other businesses when the new occupants of Subic come over," Mr Gordon warned Olongapo market vandors and small entrepreneurs recently. "If, in the past, you thought you've earned enough by swinging a sale with a drunken sailor, this time you will have to make your products and services truly competitive."
On the side of a hill fronting

Olongapo'e main road, huge letters are planted, Hollywood-style, with this exhortation: 'Aim high, Olongapo."
Suhic Bay freeport zone will have to take off before the peo-

ple of Olongapo can heed the

Jose Galang



PHILIPPINES 4

HE SIGN at the "Bottleground" bar on Rizal Avenue, boasts: "Hot Women Plus Cold Beer."

With its brothels and Roman Catholic cburches, there is not much at first glance to distinguish Puerto Princesa, the capital of the island province of Palawan, from any other town in the Philippines.

A typical family owns an old videotape of the wedding of Britain's Prince Charles to Lady Diana Spencer, and has eight children. Seven masses are celebrated each Sunday at the Immaculate Conception cathedral, to accommodate the growing number of inhabitants.

Religion even penetrates the underground river, Palawan's main tourist attraction - "see this stalactite - it is like the Virgin Mary, declares the boatman to his sceptical passengers. "And this one" - he points at another apparently shapeless rock - "is like the Holy Fam-

In one very important sense, however. Palawan is different. Elsewhere in the Philippines almost all the tropical forest has been destroyed, but about half of this long, thin mountainous island south-west of Manila is still covered with trees.

Elsewhere, coral reefs have been dynamited into oblivion, but in the waters around Palawan much of the coral and other forms of marine life have survived, making the area a paradise for divers and the source national capital, Metro Manila.

Palawan has become a test case not just for the Philippines but for south-east Asia as a whole: is it possible to preserve some of the region's beauty and natural resources for future generations, or must everything be destroyed to make room for an increasing population and for the traffic jams which

HE STORY of how Mrs Pascu-

three, met her death illustrates the

cruel consequences of a supposedly resource-rich economy that cannot

provide enough jobs for its people.

the Philippines to seek employment

in Hong Kong. She was killed in

March while saving her five-year-

old ward from a bus accident. Her

body was brought home to a hero-

ine's welcome - and President Fidel

Ramos gave her a posthumons

Bagong Bayani (new hero) award,

handed out annually to outstanding

Filipino overseas contract workers

The government long ago pro-

ern-day heroes for their contribu-

at the Labour Day celebrations.

Mrs Dastas left her three sons in

ala Dastas, a Filipina domes-

tic worker and mother-of-

Victor Mallet visits the island of Palawan, an environmental test-case for south-east Asia

Protection for a final frontier

accompany the phenomenon know as "economic development"?

Palawan, our last frontier: make it last. Stop illegal fishing," declares the roadside billboard in Puerto Princesa. Another billboard shows the diminishing size of fish caught over the past 20 years, and urges fishermen to stop using cyanide, which does not discriminate between baby and mature fish and therefore needlessly decimates fish populations.

The presence of the billboards is both bad news and good news. The bad news is that the battle to save Palawan's resources for the future is an uphill struggle: the good news is that a few members of the central and local governments are starting

The very fact that Palawan is relatively undamaged - and undisturbed by separatist or communist - makes the island a favoured destination both for poor migrants from other parts of the Philippines and for foreign tourists. Migrants follow the logging compa nies' buildozers to clear farmland for rice, cashew nuts or coconuts, and the tourists come to find the tranquillity now lost in much of the rest of south-east Asia.

Palawan also has oil offshore and nickel deposits in the south, but the financial benefits - even when they come to the island rather than to the central government or to big business - are clouded by the inevitable disadvantages.

The island's population has doubled to about 600,000 in the past decade, and Puerto Princesa is



starting to smell of the diesel smoke and motor-cycle fumes generated by trucks and tricycle taxis; one of the nickel companies is being accused of polluting a river with laterite waste: there are fears that the gold

prospectors, who have recently rushed to the north of the island, will poison fresh water with the mercury they use to separate their gold from sand; and there are increasing signs that deforestation

is causing the erosion of land, silting of rivers, and fresh-water shortages which have plagued other islands in the Philippines.

ging in Palawan was imposed last

year, and more recently the authorities banned the transport of live fish which had been exported from the island to aquariums and to Chinese restaurants.

Enforcement of environmental regulations, however, is hard - "it's very difficult," says Mr Felipe Ortiz, the chief of forest management at the Department of Environment and Natural Resources (DENR) in Puerto Princesa. "There are many people in the city - and it's still a developing city. There's really a need for lumber.

Furthermore, big businessmen backed by private armies are still keen to export logs in defiance of the official ban. Court cases filed against those who violate timber laws are sometimes mysteriously dismissed, local officials say.

But the election of a new mayor and a more enlightened local government for the capital Puerto Princesa in May last year has given a boost to Palawan's environmental

"Before, they [the old officials] made lots of speeches about conser-vation, but meanwhile their people were out cutting trees," says Mr

in 1991, 14 members of Haribon Palawan, the island's main environmental group, were charged with subversion and harassment, although the charges were eventually dropped. Now, Haribon workers carry walkie-talkies provided by the local authorities so the two sides can work as a team.

The resounding defeat of Mr Ramon Mitra, the former speaker of the Philippine House of Representatives, in last year's presidential election, is also a bonus for the environmentalists, since he was regarded as the political patron of Mr Jose Alvarez, a businessman from outside the island who has taken a leading role in the logging industry in Palawan.

Palawan's new mood of co-operation between the local authorities environmentalists and inhabitants was underlined at a recent ceremony in the district of Tagabinet attended by Haribon representatives and local officials.

Twenty-two members of the Batak and Tagbanua tribes were awarded "stewardship certificates" giving them the right (under a national plan to control upland cultivation) to occupy and farm their land near the St Paul's national park. Previously they were regarded as illegal settlers. In exchange they must undertake not to expand their clearing by cutting down forest trees. Mr Mil Reynoso, the vicemayor of Puerto Princesa, said too much deforestation would turn the country into a desert like Iraq - "it affects the personality of the people there," he said. "They are so hard." It is by no means certain that the

farmers fully understand their obligations under the echeme - one drunken smallholder immediately asked whether it was all right if he chopped down a protected species of tree because it was good for building houses - but at least a start has been made in winning the support of the inhabitants of Palawan for efforts to preserve the island's

Mr Joselito Alisuag, the activist lawyer who heads Haribon Pala-wan, is relieved that he finally has a few allies in the city hall. "We used to fight everyone," he says as he fingers his walkie-talkie. "Now we've got friends."

Earnings by overseas contract workers help to offset the stagnation of the domestic economy

A key role for Filipino skills abroad

1980s, earnings sent home by OCWs eased the situation in many Philippine communities.

Over the past two years, foreign exchange remittances have again partly offset the stagnation of the domestic economy. This year, remittances are projected to reach \$2.5bn, making Filipino manpower the country's leading export item.

From about 40,000 in 1975, the number of Filipino skilled and semiskilled workers winning employclaimed OCWs as the nation's modment contracts abroad has reached 680,000 a year. This number does tion to the economy. During its debilitating slowdown in the midnot include those who sneak away

to find employment illegally.

There are now two million Filipinos legally employed as construction workers, seamen, domestic helpers, hospital staff or nightclub entertainers in many parts of the Middle East, Europe, east Asia including Japan, and the US. Most of them earn up to five or six times what they would be paid in similar jobs back home - if they could ever get one. According to the Department of Labour and Employment, of the total 25.3m employable persons in 1992, nearly 2.3m were out of a job. By January 1993, the unemployed total had declined to 2.18m

However, even among the ranks of the locally employed, there remains a high "under-employment" rate, which makes working overseas an attractive option for many. But as the deployment of OCWs has increased, so has the range of problems involving their relationships with their employers and with the families they leave behind. Charges of physical abuse and non-payment of correct wages are the most prominent.

This has put a strain on the staff

of Philippine embassies abroad. In areas with large number of Filipino OCWs, the country's diplomats have a hard time coping with the social problems that arise, and are sometimes accused of indifference.

At the same time, the Philippine foreign service has benefited from the OCW movements. Where there are large concentrations of such workers, Philippine embassies regis-

ter large cash surpluses from fees related to the workers' tenures. For instance, the embassy in Saudi Arabia, where there are an estimated 250,000 Filipino workers,

port for the operations of 12 diplomatic posts in Europe.

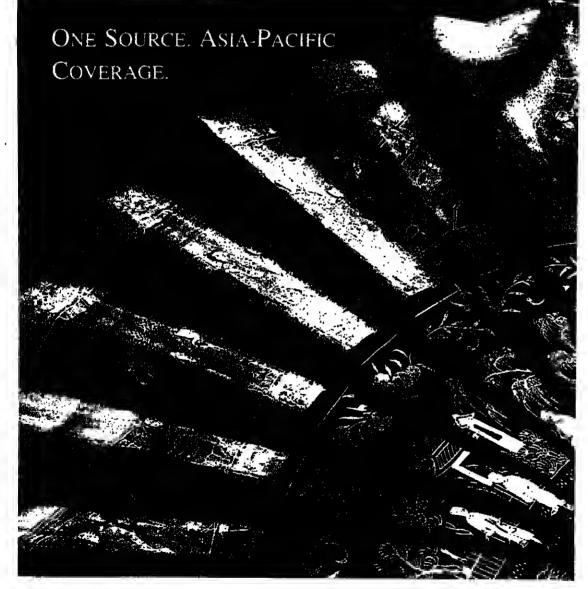
Yet social workers are increasingly worried about the rising number of inter-marriages among migrant workers and local nationals that lead to broken homes and other problems. A recent case involved the death, from hepatitis, of a Filipina who worked as a nightclub entertainer in Japan. According to the police, the body of the victim bore torture marks that indicated foul play.

Owing to the failure of Japanese

anthorities to give a credible account of the death, there were calls in Manila for an end to the deployment of Filipinas to entertain in Japan. Instead, the government imposed a "partial" ban: no Filipino aged below 23 is now allowed to work there as an entertainer.

Japan, South Korea and other more advanced economies have cut industrial costs by investing in factories in south-east Asia. Although the Philippines has missed out on much of this investment wave, its officials are hoping that some day when the local economy starts generating enough jobs to absorb the 800,000 people who join the labour force annually - the OCWs could return home and bolster the quality of technical skills for the expected industrial boom.

Jose Galang



No-one covers Asia-Pacific quite like

HongkongBank.

Which is probably why independent sources credit us with being the region's

Review consistently rates us the top

Global Custodian's Agent Bank

custodian in the Philippines as well as in

Hong Kong, Singapore and Malaysia

with high commendations in almost

every other Asian country.

the unrivalled expertise, knowledge and

Providing the ideal one-stop solution to investors throughout the Asia-Pacific

back-up HongkongBank can offer.

To find out more about our com-

prehensive Securities Services, please

call our representative near you.

London: Mark Davies 44-71-374-9041.

Frankfurt: Mike Sullivan 49-69-724279. New York: Dog Drohan 1-212-658-1668

Tokyo: Norio Miura 813-3216-0670.

Hong Kong: Nick Bryan 852-822-3550.

Stockholm: Katarina Leijonhufvud

Sydney: Russ Shields 612-255-2888.

Manila: Nestor Custodio 632-632-7262.



FINANCIAL TIMES **ASIA PACIFIC SURVEYS 1993**

SHANGHAI KOREA NEW ZEALAND MALAYSIA **TAIWAN AUSTRALIA** THAILAND

1ST JUNE **3RD JUNE 16TH JUNE** 31ST AUGUST 8TH OCTOBER 4TH NOVEMBER 6TH DECEMBER

FOR FURTHER INFORMATION CONTACT:

SARAH PAKENHAM-WALSH FINANCIAL TIMES HONG KONG OFFICE 17TH FLOOR, 17B SHUN HO TOWER 24-30 ICE HOUSE STREET CENTRAL HONG KONG

TEL: (852) 868 2863 FAX: (852) 537 1211

OR

SAMANTHA TELFER FINANCIAL TIMES ONE SOUTHWARK BRIDGE LONDON SE1 9HL

> TEL: 071 873 3050 FAX: 071 873 3595

